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THE UNIVERSITY OF ALBERTA

'Anglo-Australian Relations: A Critique of the Foreign Policy of William Morris Hughes, Prime Minister of Australia, 1915-1923'.

by

© Peter James Spartalis

A THESIS
SUBMITTED TO THE FACULTY OF GRADUATE STUDIES AND RESEARCH
IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE DEGREE
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EDMONTON, ALBERTA
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THE UNIVERSITY OF ALBERTA

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The undersigned certify that they have read, and recommend to the Faculty of Graduate Studies and Research, for acceptance, a thesis entitled 'Anglo-Australian Relations: A critique of the Foreign Policy of William Morris Hughes, Prime Minister of Australia, 1915-1923', submitted by Peter James Spartalis in partial fulfilment of the requirements of Doctor of Philosophy.

Supervisor

L. F. Fitzhardinge per John Foster.

Ulrich Trumpener

Date Feb 11/77

Wm. Roger Louis

Abstract

It is the contention of this critique that the foreign policy of William Morris Hughes achieved its basic objectives. These were the security of the Commonwealth of Australia in the south Pacific and the advancement there of Australian interests exemplified by his espousal of an Australian Monroe Doctrine for the south Pacific. These objectives involved the expulsion of the Germans from the region and the exclusion of Japanese and American economic interests.

As an ardent Australian within the framework of the British Empire he blended an assertion of an ultramontanist stand with co-operation as a Dominion partner in a powerful Empire. He was not averse to exploiting this dual role to gain the best of both worlds. However he achieved only partial success in the search for a 'single voice' in Imperial affairs, in the formulation of a common foreign policy for the Empire based on adequate intelligence, information, and prior consultation. Hughes shared this lack of success with his colleagues on the councils of Empire. No Imperial statesman adequately was able to bridge the gap between 'centralism' and 'independence'. Chanak and Lausanne sounded the death knell of a common foreign policy. In this it was events that mattered and not even a Hughes could stem the tide of devolution and centrifugal forces.

Hughes had gained instant success as an Imperial statesman as a result of his grand tour of Great Britain in 1916, rallying a dispirited nation to fresh efforts. He advocated extreme measures in a 'root and branch' policy of extermination of German influences still operating in the Empire. This culminated in his participation as a British delegate at the Economic Conference at Paris in June 1916. He capped this performance by his contribution to the Imperial War Cabinet of 1918.

However over the years his achievements at the Paris Peace Conference have been his claim to a place in posterity by critics at home and abroad. Colleagues and opponents however, winced at his encounters with Woodrow Wilson and Lloyd George, plainly embarrassed by his 'undiplomatic' methods if not disapproving of his objectives. He plumped for the annexation of the German possessions south of the equator which had been occupied by Australian troops; he supported a crippling indemnity against the Germans, consonant with his 'root and branch' policy of exterminating German influences in the south Pacific; and he opposed any Japanese attempts at Paris to include a 'racial equality' clause in the draft Covenant of the League of Nations - an attempt which Hughes rightly or wrongly interpreted as the thin edge of the wedge in an attack on the 'White Australia' policy.

Yet the pinnacle of Hughes's Imperial statesmanship in a way came at the 1921 Imperial Conference, where a noticably calmer and matured Hughes demonstrated his grasp of the fundamental issues and problems facing the Empire. As this was his last personal participation in the councils of Empire it was fitting that he should have been such an outstanding force, dominating so many debates on the whole range of Imperial affairs. His cabled interventions over Chanak and Lausanne which were in the nature of a 'last post' expressed all that he stood for in the field of Imperial foreign policy.

ACKNOWLEDGEMENTS

I wish to pay tribute to the memory of the late Cedric Lowe, formerly Professor of History and chairman of the department of History at the University of Alberta. His untimely passing has been a sad loss to the academic community. His graduate seminars were a high point in my studies at Alberta. They paved the way for this critique.

My thanks are due as well to Professor David Moss who kindly took over the supervision of this study. His advice and direction have proved invaluable in the completion of this thesis.

I freely acknowledge my debt to the following academics whose personal comments and guidance over the past four years have been most helpful. In one way or another they figure in this work: L.F. Fitzhardinge, Cameron Hazlehurst, Bill Hudson, Roger Louis, Neville Meaney, J.R. Poynter, David Sissons, and A.J.P. Taylor. Michael Piggott of the Australian Reference Section of the National Library of Australia provided expert direction, especially as the William Morris Hughes Papers were being sorted out and re-classified. Mrs. L.E. Macknight of the Australian Archives enabled me to gain access to material hitherto closed to researchers. For her expert advice I am deeply grateful.

Finally, a special note of thanks is due to L.F. Fitzhardinge with whom I have spent many hours in discussion. He generously allowed me the use of the typescript and galley proofs of his forthcoming masterly and monumental study on Hughes, The Little Digger. My own work therefore, owes more than I can say to his guidance and inspiration.

ABBREVIATIONS

I have adopted the practice of supplying abbreviated biographical details of prominent personages in the foot-notes, from The Concise Dictionary of National Biography, Part II, 1901-1950, (Oxford, 1961), and F. Johns, Who's Who in Australia, 1922, (Adelaide, 1922), and subsequent volumes. There does not appear to be any reason to make further reference in the foot-notes to these standard works.

There are a few matters of form which require explanation in view of current trends. In this study the indiscriminate use of the lower case has been avoided while the upper case has been used to avoid ambiguity. In a work on foreign policy the use of the upper case to denote the specific office, official, memorandum, conference and place, avoids confusion and is quite legitimate despite the frequency and regularity of such usage on any given subject. This study concerns prime ministers, secretaries of state for colonial and foreign affairs, governors-general and so on. Therefore, in referring to a specific prime minister or a colonial secretary, I have employed the upper case thus: 'The Colonial Secretary notified the Prime Minister of Australia that....'. Again, where I refer to the Great War or a specific conference such as the Paris Peace Conference of 1919, I have thereafter abbreviated the form to the War and the Conference. Because German overseas possessions, certain islands in the Pacific, are a focal point of this study and thus are a constant point of reference, it was clearly convenient to refer to them as the German Islands, German Possessions or simply the Islands where the context was appropriate.

In all of this I have followed the usages outlined in F. Howard Collins, Authors' and Printers' Dictionary, (Oxford University Press, 1973), Kate L. Turabian, A Manual for Writers, (University of Chicago, 1970), and the Style Manual, (Government Printer, Commonwealth of Australia, Canberra, 1972).

On a few occasions I have referred to the Australian Labor Party and have employed the above spelling which is the official usage. In general, however, I have used the conventional spelling, thus labour, when referring to members of parliament of the various Labour parties.

With respect to typing matters the only departure from standard practice which deserves special mention is the absence of square brackets. As the typewriter of my excellent typiste, Mrs. Myrlene Jaffray, does not possess square brackets I have used italics enclosed by ordinary brackets to denote references normally enclosed by square brackets : *(sic)*. Standard abbreviations in the footnotes are listed in the bibliography.

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'Of course, here we do not have the same opportunities of perceiving the drift of foreign affairs that you have but I can hardly come to the same conclusion.'[1]

---

[1] Atlee Hunt, Secretary of the Department of External Affairs Melbourne, to H.A. Gwynne, editor of the Standard, London, 3 September, 1910; Atlee Hunt Papers, National Library of Australia, MS 52/40.

Chapter I: THE BACKGROUND, 1901-15.

1. IMPERIAL RELATIONS.

In October 1915 William Morris Hughes[1] was appointed Prime Minister of Australia. The Great War already had entered into its second year. Within months of assuming office Hughes was in London consulting British leaders on matters pertaining to and arising out of the War. Just prior to Hughes's departure, the Governor-General, Sir Ronald Crauford Munro Ferguson[2], gave Herbert Asquith[3], the British Prime Minister, a glimpse of the man who was about to descend on the British Isles:

> ...Though stone deaf he is a remarkable personality...a natural leader of men; a delightful companion; bold in adversity; clear in his views, and what is rare in Australia sound on the question of economy...probably considers himself a Socialist....His views as to the modification required in our trade relations with Germany after the War are of much interest. He is a sincere Imperialist and to him more than to any other is due the progress made in Australia in Naval and Military preparation...
>
> I trust you may find opportunity to hear what he has to say on Imperial Security and Trade.

---

[1] William Morris Hughes, 1864-1952. Educated in Wales and London. Emigrated to Australia, 1884. A Labour MP in the 1st Federal Parliament. Prime Minister of Australia, 1915-23. Australian Delegate to the Paris Peace Conference, 1919. Minister for External Affairs, 1921-3; for Health and Repatriation, 1934-7; for External Affairs, 1937-9; for Industry, 1939-40. Attorney-General, 1939-40. Minister for the Navy, 1940-1.

[2] Ronald Crauford Munro Ferguson (1860-1934); MP for Ross and Kirkaldy; at one time Lord Rosebery's private secretary and a Lord of the Treasury; Governor-General, 1914-20; Viscount Novar of Raith, 1920; Scottish Secretary under Baldwin, 1922-24.

[3] Herbert Henry Asquith, (1852-1928); Gladstonian Liberal; MP for East Fife; Chancellor of the Exchequer; 1905-08; Prime Minister, 1908-16; Lord Oxford and Asquith, 1925.

> He has also a grasp of the difficulties which must attend the administration of Pacific Islands by Australia on which subject no doubt the Foreign Office as well as our own chief will have something to say.[1]

Munro Ferguson thus informed Asquith that Hughes more than anyone was responsible for the Dominion's preparedness by 1914 in naval and military arrangements. Although this is debatable a case may very well be argued that as much as anyone he was instrumental in the formulation of the immigration, trade, and defence strategies in this period before the War although Alfred Deakin[2] is acknowledged as the outstanding political figure in the first decade of the Commonwealth. It was the threat to these very matters caused by events in the Pacific in 1914 and 1915 that led Hughes to fly off so quickly to London. In a critique of Hughes's foreign policy for the years 1915-1923 during his prime ministership, it will be helpful briefly to consider these and related aspects prior to 1915 so as to place them in a proper perspective. Hughes's views and approaches did not develop overnight. In my task of subjecting Hughes's foreign policy to critical analysis it is relevant and indeed incumbent upon me to place his work in an historical setting and perspective.

---

[1] Munro Ferguson to Asquith, 5 December, 1915; Novar Papers, N.L.A., MS 699-700.

[2] Alfred Deakin, (1856-1919); journalist with the _Age_, Melbourne; called to the Bar, 1877; Victorian M.L.A., for twenty years; Prime Minister, 1903-04, 1905-08, and 1909-10; Liberal Protectionist; retired owing to physical and nervous breakdown.

Professor J.R. Poynter has remarked on the long term continuity that is evident in Australia's behaviour and attitude in external affairs. But he has contended that the Hughes period, or era really, was a brief departure from the tradition of 'regressive inactivity'[1] that has been the alleged characteristic of Australian external relations. Even a brief examination of the period before Hughes will demonstrate that it was not one of regressive inactivity. And if Professor W.J. Hudson[2] is right in describing the 'twenties'and'thirties' as decades that were by no means quiescent, then one can say on this standpoint there has been a striking long term activity so that Hughes is not the exception that Poynter suggests. Whether it be policies, attitudes, or even progressive activity, (the converse, I fancy, of regressive inactivity) it is my view that, in the decade before Hughes and right through his era, there has been continuity.

Another feature of the conventional wisdom concerning Australian foreign policy is that it inherited the image of the world held by the British foreign service, identified herself and was identified by others, in two world wars with the national attitudes, animosities, and allies of Britain'.[1] Yet, as Dr. N.K. Meaney notes, the most cursory examination of Australia's external relations will quickly dispel this myth.[2] From the earliest days of the Commonwealth and right through the Hughes era there has been a distinctive view of Australia's position in the world. That this differed markedly from British officials and statesmen partly can be attributed to perspective. What was in the Far East from London was on the very door steps of those 'Down Under'. As Meaney so aptly puts it, the search for security in the Pacific has been a dominating theme in Australia's external relations.[3]

---

[1] J.R. Poynter, 'Yo-Yo Variations: Initiative and Dependence in Australia's External Relations, 1918-23', Historical Studies, vol. XIV, no. 54, April 1970, pp.231-49.

[2] W.J. Hudson, 'Yo-Yo Variations: A Comment', Historical Studies, vol. XIV, no. 55, 1971, p.424.

I intend therefore briefly to review relevant aspects concerning Australia's external relations in this period up to 1916 to provide a setting for the subsequent critique. Anglo-Australian relations in this period were far from quiescent and harmonious at times. Hughes's attitudes and policies during the period of his prime ministership flow naturally from an examination of his conduct in public affairs in this earlier period which was in a way, his inheritance. As we shall see, he played no small part in shaping it.

---

[1] J.B. Miller, Australia's Foreign Policy, (Sydney 1968), cited in N.K. Meaney, 'Australia's Foreign Policy: History and Myth', Australian Outlook, August 1969.

[2] Ibid. p.173.

[3] N.K. Meaney, The Search for Security in the Pacific: A History of Australian Defence and Foreign Policy 1901-1914, typescript; this work is shortly to be published.

(a) The Governor-General

The office of governor-general was the imperial link between the dominion and the 'mother country'. In the years before the War political fluidity and instability in Australian policies led to a 'monarchical nature' in the role of the governor-general. In fact it has been observed that the tour of duty of Munro Ferguson witnessed the high point of the office on this score.[1] Yet despite the vigour with which he exercised his functions his period of tenure between 1914 and 1920 actually witnessed a dimunition of its responsibilities, especially in the field of foreign affairs. His conception of the role ran counter to the broad stream of imperial devolution in this period. These centrifugal forces gained momentum throughout the period of this study and indeed, Hughes played no small part in this process which conspired against the ultra-conservative views on imperial relations that Munro Ferguson held and at times applied.

These views though, were typical of Munro Ferguson's predecessors. It was considered that the governor-general was the confidential adviser to the Imperial government keeping the Colonial Office informed in the same way that British ambassadors privately informed the Foreign Office of matters that did not appear in official despatches.[2]

---

[1] See C. Cuneen, 'The Role of the Governor-General in Australia', PHD thesis, A.N.U. Research School of Social Sciences, Department of History, 1973, chapter 1; this section is indebted to this study.

[2] See the editorial, Argus, 8 February, 1904.

Not only was the governor-general the representative of His Majesty but also of His Majesty's Government. For example, Lord Hopetoun, the first governor-general assumed as a matter of course that the new member of the Imperial family would naturally supply contingents for the Boer War, which was a 'family' affair. So he confided in his prime minister:

> You see we treat you as one of the family in thus asking you at a moment's notice and I hope you will yourself feel quite free to accept or refuse.[1]

Or again, some years later, during the latter stages of the Russo-Japanese War when it was clear that the Japanese would inflict a crushing and historic victory altering the balance of power in the Far East, the Governor-General, Henry Stafford Northcote, reviewed the Dominion's defence requirements for the British Prime Minister, Arthur Balfour, in a private note:

> I firmly hold the principle that Australia should bear her share in the cost of the defence of the Empire....*(the)* best service she can render to the Empire is by developing her population and resources...at present with a huge, rich, uninhabited continent, a half developed Monroe Doctrine to be practised by Great Britain for her benefits in the Pacific is a positive source of weakness to the Mother Country.[2]

When it was known that Munro Ferguson was to be the governor-general in 1914 Australian expectations of the Imperial representative were expressed in the editorial of the liberal Sydney Morning Herald:

---

[1] Lord Hopetoun to Sir Edmund Barton, PM., 21 October, 1901; Barton Papers, N.L.A.; MS 51/433, cited in Cuneen, 'The Role of the Governor-General', p.150. He was Governor-General, 1901-02.

[2] Barton Northcote to Arthur Balfour, personal, 21 May 1905; Iddsleigh Papers, British Museum, Add MS 4967, f.53; Northcote was Governor-General, 1903-7.

> *(Australians wanted)* an adequate and sympathetic understanding of those important imperial problems associated with defence and other matters on which Australian opinion has not always in the past been understood accurately or appreciated at its full worth.[1]

Munro Ferguson's correspondence with British and Australian statesmen and officials must lead to the conclusion that this aspiration was admirably fulfilled. His relations with Hughes were of the highest order, and as our selections from the correspondence of two governors-general indicate relations between a governor-general and his prime minister in external relations in the period before the War were crucial. The crisis of the War meant that this relationship was put to the ultimate test. It was providential that the man acknowledged as one of the finest, if not the finest occupant of that office,[2] should occupy it at a time of crisis and that the political world should throw up a Hughes, the worthiest of war leaders. As the correspondence between the two will demonstrate a proper but warm regard for each other developed over the years. Right at the outset of Hughes's long period of office Munro Ferguson acknowledged his capabilities:

> The new Prime Minister...in some respects *(is)* not unlike his countryman Lloyd George...his capacity for affairs *(is)* great. He is highly strung and at times violent. I have always found him most agreeable. Few men are more

---

[1] S.M.H., 9 February, 1914.

[2] Walter Long, Colonial Secretary, December 1916 to January 1919, judged Munro Ferguson to be one of the great governors-general in the history of the British Empire; see W. Roger Louis, Journal of Modern History, vol.XXXVIII, December, 1966, p.410.

> entertaining and so far he has been perfectly frank with me. He stands out above his Party in intellect, courage and skill. ...He is the right man to be Prime Minister...[1]

But Munro Ferguson was not uncritical of Hughes's secretiveness, asserting that he has 'all the arts of a crab' and that 'when he does not wish to be drawn, he withdraws within the impenetrable shell of his designs'. Nor could Hughes readily delegate authority, and in this 'his methods are like Lord K. He does not know how to devolve responsibility and work'.[2] It would seem that these reservations stem from the critical eye of a former secretary.[3] However, his discerning eyes could see the other side of that coin:

> Hughes gives orders like a Roman centurion and seldom devolves responsibility on anybody. His impatience and autocratic ways destroy initiative in others yet he has the qualities of his defects... A man of courage, initiative and ability is a valuable commodity in Australia. Much must be forgiven him...[4]

Hughes for his part could write, in April 1918, having weathered the political crisis which was the aftermath of the unsuccessful conscription campaigns, that:

---

[1] Munro Ferguson to Bonar Law, personal, 8 November, 1915; Novar Papers, MS 696/768.

[2] Cited in E. Scott, Australia during the War, (Sydney 1937), the Official History of Australia in the War of 1914-18, vol.XI, p.175.

[3] He was private secretary to Lord Rosebery in 1892, who was the Foreign Secretary in Gladstone's last ministry.

[4] Munro Ferguson to General Sir William Birdwood, 13 January, 1919; Australian War Memorial, Novar-Birdwood correspondence.

> "you have been in many a serious and trying crisis, a great help to me. Many times I should have thrown up the sponge, but for your advice, your sympathy, and the feeling you believed in me.[1]

Both believed in prosecuting the War with the utmost vigour in the interests of Australia and the British Empire. Hughes's tribute to him at his death was as sincere and eloquent as it was accurate:

> Lord Novar's name will always be associated with the greatest crisis in Australia's history.... Among the distinguished men who have held the Vice-Regal office since its establishment - under five of whom I have had the honour to serve he stands out prominently....During the dark days of the war, when the sky was black with portents of disaster, he never lost confidence in ultimate victory....Lord Novar has earned a lasting place among the great pro-consuls who have helped to build up the British Empire.[2]

(b) The 1911 Imperial Conference

The British Prime Minister, Asquith, held fast most vehemently to the view that the foreign policy of the United Kingdom could only be decided by Britain herself. He was unequivocal on this at the last Imperial conference before the war. The British Government's authority over the conduct of foreign policy, the conclusion of treaties, and questions of peace and war 'cannot be shared'.[3]

---

[1] Hughes to Munro Ferguson, April 1918, cited in Scott, Australia during the War, p.174.

[2] A tribute published in memory of Lord Novar, 30 March, 1934; Ibid., pp.189-90.

[3] Asquith, Minutes of the Proceedings of the Imperial Conference, 1911, Command 5745 (1911) p.66, cited in H. Duncan Hall, Commonwealth: A History of the British Commonwealth of Nations, (Cambridge 1962), p. 92.

Consultation was not denied, but the 'authority which cannot be shared' was that over the conduct of foreign policy. It was clear anyway to the Dominions that consultation had not been ruled out for they had just been ushered into the secrets of Imperial foreign policy by Sir Edward Grey's lengthy exposition.[1] David Lloyd George years later maintained that British cabinet ministers had not had the benefit of the analysis revealed to the Dominions on that occasion.[2]

The explanation for such a revelation lay in the fact that Britain had been anxious to renew the Anglo-Japanese Alliance of 1902 and 1905 upon which British foreign policy in the Far East was based. It was expedient therefore on this occasion to take the Dominions into the closest consultation so as to allay the fears of the Pacific Dominions - hence Grey's thorough outline. But it was still almost exclusively British needs that continued to determine the rationale behind the Alliance. That is to say the demands on Britain in Europe largely dictated the policy of allying with the major naval power in the East despite the discordant notes such an alliance would strike with the Pacific Dominions especially on the morrow of the Russo-Japanese war.[3] Although the Dominions had been unable to influence Britain in the negotiations for the original alliance with Japan there is evidence to support the conclusion that British defence authorities and statesmen were acutely aware of the embarrassment that an alliance with a major naval power in the Pacific would pose with its Dominions. Sir George Clarke, secretary of the Committee of Imperial Defence, prepared a cabinet memorandum on the advantages and disadvantages of renewing the Alliance in 1905 and in doing so referred to the Australian attitude to Japanese immigration. He observed that the objections were:

---

[1] Sir Edward Grey, (1862-1933); statesman, Liberal MP., for Berwick-on-Tweed, 1885-1916; Secretary of State for Foreign Affairs, 1905-16; Viscount Grey of Fallodon, 1916.

[2] See Sir Edward Grey, 'Minutes of the Committee of Imperial Defence at a meeting of 26 May, 1911', cited in British Documents on the Origin of the War, vol.VI, pp.781-90. Lloyd George, War Memoirs, vol.1, (London 1933-6), p.29.

[3] See I. Nish 'Australia and the Anglo-Japanese Alliance', Australian Journal of Politics and History, vol.IX, (Nov.1963), pp.201-212. Also see Peter Lowe, 'The British Empire and the Anglo-Japanese Alliance 1911-15', Journal of Commonwealth and Political Studies, 1968, and his Great Britain and Japan, 1911-15, (London, 1969).

> That we are flouting all the European Powers by allying ourselves with Asiatics.... The 'Yellow Peril' bogey will be held up to arouse the fears of Europe. We are however an Asiatic Power and this Alliance is for us a perfectly natural one.... Our colonies, Australia especially will have to put Japanese on precisely the same footing as Frenchmen or Germans. Discriminating against Japanese as coloured people would not be possible. It might be necessary to speak heavily to the Australians... their position is one of peculiar weakness except for our support, so that they would find it necessary to swallow their racial pride and prejudices as regards the Japanese.[1]

Clarke was well aware of what he was saying for he had been Governor of the State of Victoria in Australia from 1901 to 1903 prior to taking up his position on the C.I.D. He was convinced that there would be trouble with Australia over the Alliance but as he again observed 'we cannot allow the Trades Hall of Melbourne and Sydney to influence our foreign policy.'[2]

---

[1] Sir George Clarke to Balfour, C.I.D., 27 May, 1905; B.M. Add. MS 49701, f.209.

[2] Sir George Clarke to Balfour, 14 October, 1905; Ibid., f. 207.

Returning to the 1911 Imperial Conference, the Australians were represented by Andrew Fisher, the Prime Minister; Hughes, the Attorney-General, remained in Australia as Acting Prime Minister. Fisher, on his return, spoke in glowing terms of the Conference:

> A marked feature was the action of the Imperial Government in taking the representatives of the dominions into the inner family circle and unreservedly laying before them its international policy. This I am sure will inspire confidence and unity of action.[1]

Balfour had remarked to the Governor-General years before this Conference that he 'would be interested to see what effect the growth of a great Japanese Power would have upon Australia and whether it would strengthen the desire for Imperial Unity'.[2] Hughes, years later, waxed eloquent over Grey's review of foreign affairs, considering the decision to renew providential:

> It is almost impossible to exaggerate the effects of this decision upon the fortunes of the empire and the events following the outbreak of war in 1914. Looking back...if Japan, instead of remaining a firm ally bound under the terms of the treaty which imposed upon her obligations to protect British interests in the Pacific had stood at our gates as a potential enemy... And that she might under the circumstances have been an enemy is undeniable.[3]

George Foster Pearce,[4] the Minister for Defence had

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1. The West Australian, 9 August, 1911.

2. Balfour to Northcote, 20 October, 1914; B.M. AddMS 49697, f.48.

3. Hughes, Splendid Adventure: A Review of Imperial Relations within and without the Commonwealth of Britannic Nations, (London, 1929), pp.32-3.

4. George Foster Pearce (1870-1952); Senator; born South Australia; Minister for Defence 1908, 1910-13, 1914-21 and 1932-34; Minister for External Affairs 1934-37.

accompanied Fisher to the Conference. He was a confidant of Hughes. They shared parallel views on defence and suspicion of Japanese policy. Pearce was recognized as the most ardent Japanophobe in the Australian Parliament.[1] Pearce prudently informed Grey that the original Alliance had been most unpopular in Australia because public opinion had not understood its purpose. There would be therefore, a great outcry in Australia unless it were made clear that immigration control was not affected by the terms of the renewal.[2] Grey had already made it quite clear in his significant address that the extension of the Alliance did not in any way affect the freedom of the Dominions to deal with the question of immigration.[3] Australian consent was readily given on this understanding. Duncan Hall states that this renewal after consulation with the Prime Ministers of the Dominions was an historic first - the first officially recorded joint decision on a major issue of foreign policy.[4]

This result appeared to be a fine example of Imperial unity in action at this Conference on a major aspect of British foreign policy in the Far East but it is most useful for our purposes to note with some emphasis that British officials and statesmen had entered the Conference with misgivings if not alarm. The C.I.D. and the Foreign

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[1] This is the judgement of A.T. Yarwood, Asian Migration to Australia. The Background to Exclusion, (Melbourne, 1967), p.90.

[2] Pearce, 29 May, 1911, 11th meeting C.E.D., Cab 2/11, pp.18-36; cited in Hall, Commonwealth p.81.

[3] Grey, 26 May, 1911, C.I.D., cited in British Documents on the Origin of the War, p.790.

[4] Hall, Commonwealth, p.82.

Office were loathe to bring forward the question of the Alliance let alone place it on the agenda for discussion and consultation:

> Frankly I dread any sort of discussion with our brethren in Australia on these delicate and secret topics.... But on the other hand the last thing wanted is a howl from Australia or Canada, if and when, the British Government decide to renew the Alliance.[1]

Sir Arthur Nicolson, Permanent Head of the Foreign Office consulted his Prime Minister, Asquith, on the business for the Conference who minuted that 'he could not conceive a more inappropriate topic to bring before the Imperial Conference.'[2] The Foreign Office decided to enter the Conference prepared to answer questions should they be raised but 'H.M. Government will not bring the matter before the Conference or discuss'.[3] Grey, the Foreign Secretary, shared Asquith's views, considering that on the matter of the Alliance the 'Australians require a good deal of education'.[4] Grey was quite unsympathetic with the Commonwealth's reservations over the Alliance in view of the problem of Imperial defence. He argued that the logical conclusion of denouncing the Alliance would be that Australia and New Zealand should undertake the burden of

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1. Charles Ottley, secretary C.I.D. to Nicolson, Under Secretary of State Foreign Affairs, 15 January, 1911; F.O. 371/1140/1827 cited in Nish 'The Anglo-Japanese Alliance', p.209.

2. Asquith, minute, Ibid.

3. Nicolson, to Ottley, 18 January, 1911, Cab 17/74/321; Ibid.

4. Sir Edward Grey to Earl Grey (Canada) 27 January, 1911; G.M. Trevelyan, Grey of Fallodon, (London 1937), p.203.

naval supremacy in the Far East and this would be beyond them even if they had been willing.[1] Years earlier Grey had confided to the wife of a future governor-general his most frank sentiments on Australian viewpoints:

> I think there is too much tendency here to slobber over the Colonies and they are too much given to spit at us; I except Canada from this criticism but for Australia it might be put even stronger.[2]

So both Grey and Asquith for some years had been unsympathetic to the Commonwealth's divergent views on policy in the Far East and this was especially true of the Commonwealth's 'problem' concerning the immigration question and Japan. The divergence may well be explained as a matter of perspective. For the British, the Alliance:

> has allowed her to concentrate her resources against the menace of the German fleet, has guaranteed the peace of the Indian frontiers, and has protected the Empire against the hostility of Japan.[3]

These were the sentiments of Philip Kerr, reviewing the history of the Alliance for the Round Table. Neither Grey nor Asquith at this time appeared to share Kerr's fears which were the basis of Australian reservations. It is important to note at this point, that in the crisis that arose in the Pacific over the occupation of the German possessions by Japanese forces, Asquith was again to be irritated by Australian fears.[4] While Grey has admi~~tted~~ in his recollections that the Japanese action was a 'matter of embarrassment even of anxiety', on balance he has judged that :

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[1] Ibid.

[2] Grey to Lady Helen Munro Ferguson, 19 April, 1908, cited in Trevelyan, Grey, p.153.

[3] Philip Kerr, Round Table, February, 1911, p.112.

[4] See below, II.

> the Government of Japan was for us for many years a fair, honourable and loyal Ally, and thanks to its forbearance, no serious friction arose between us and the United States on Pacific questions during the war.[1]

For the Australians, not concerned with the problems of defending a world Empire, the Far East was the near north so that events in the Pacific were immediate concerns. In the post-1911 period then, she was faced with the dilemma of remaining on close terms with Britain the 'Mother Country' whose navy guaranteed her security in the Pacific, yet at the same time Britain's partner in the Pacific had already demonstrated her expansive inclinations, was the major naval power and questioned the basic tenet of Australian society, the 'White Australia' policy.

(c) Defence

The defence of Australia had been a passionate concern of Hughes right from the earliest days of the newly constituted Commonwealth. His contributions to the debates on Defence illustrate his severely realistic view of affairs in general and external relations in particular.[2] Perhaps it was the harsh realities of his early career when he had to fend for himself or it may well be a characteristic of a mind trained in the law that would account for this view of affairs, but whatever the origin, he firmly held to the view that:

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[1] Grey, Twenty-Five Years 1892-1926, vol. II, p.101.

[2] See Meaney, 'The Search for Security in the Pacific', for an extremely perceptive assessment of Hughes's philosophy on external relations and defence. This paragraph is indebted to his study.

> We live, however, not in Utopia, but in a world of hard facts...those dangers which may come today, tomorrow, or ten years hence, ought to be provided against now...[1]

Here was a sense of insecurity in the world that would follow from a Hobbesian view that international relations was a war of each against all in which the weakest went to the wall.[2] As he informed his colleagues during the debates on the Defence Bill of 1901 Australia was an island continent which depended on Great Britain's command of the sea. Once Britain lost this command then Australia's first line of defence would have been pierced. The evidence of the past fifty years, he reminded them, was that as far as unoccupied parts of the globe were concerned (and this would include Australia) there had been:

> a sharing of the spoils of that empire of the weaker nations among the great Powers of Europe...spheres of influence extended into colonies and colonies extended into empires and nations...if ever Britain's power is broken one of the first primal things that will occur will be a division of the spoils of that empire.... Whenever the time comes to which I refer we shall have to rely on ourselves...[3]

Although Hughes was an ardent imperialist and advocate of the British Empire he recognized that the Imperial navy over which Australians had no control might very well be engaged elsewhere in a period of crisis and so would not be available in the South Pacific when really needed. And recognizing that naval defence was the basis of Australia's security, he supported the development of local naval units:

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[1] Hughes, Australian Parliament, Commonwealth Parliament Debates, (Representatives), vol.XXXII, p.2585, 9 August, 1906.

[2] For a detailed examination of Hughes's views on military and naval defence see L.F. Fitzhardinge, William Morris Hughes: A Political Biography, vol.I, That Fiery Particle, 1862-1914, (Sydney 1964), pp.136-47.

[3] Hughes, C.P.D., vol.IV, 31 July, 1901, p.3294.

> It is the absolute and positive duty of each integral self-governing part to provide for its own (naval) defence...It is the business of Australia to defend Australia whether it costs much money or little.[1]

On military defence, though Hughes opposed militarism, he was convinced that there should be universal training along the lines of the Swiss model or the levée en masse alongside of a small permanent professional army. He advanced therefore, the idea of citizen forces or a militia. This proposal was eventually incorporated in a dilute form in the original Defence Act that became the basis of the Commonwealth's military arrangements. The 1906 Defence measures were debated against the background of the aftermath of the Russo-Japanese War and the quickening Anglo-German 'naval race'.[2] For Hughes the grim realities of the strategic and defence situation were all too clear:

> Since the destruction of the Russian fleet there was less menace of an effective hostile alliance against Great Britain...that we should now rely on the Japanese for the maintenance of British supremacy in eastern seas is not calculated to inspire with confidence those who have the ideal of White Australia...the British Fleet is not all powerful...in view of the ever increasing efforts of Germany to attain naval supremacy...towards a goal which is too obvious...We must have...an armed nation in reserve...

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[1] C.P.D., vol.XIV 1 July, 1903, p.2312; debate on the Naval Agreement Bill.

[2] See A.J. Marder, From Dreadnought to Scapa Flow, (London, 1961-79), and pp.236-7 for British Naval authorities' concern over the growth, efficiency and purpose of the Japanese Navy, and for the redistribution of the British Fleet, reducing units in the Pacific, concentrating the 'cream' in the Home waters 'where they belong'.

In this speech Hughes cited John Stuart Mill's On Liberty, to buttress his thesis that compulsory military service of one sort or another was a part of citizenship and that it was not inconsistent with liberty to compel men to defend their countries.[1]

Australian naval authorities also were nervous. The Australian squadron had been reduced as a concomitant of Admiral 'Jackie' Fisher's reorganization. Alfred Deakin was prime minister in 1907 and in England for the 1907 Imperial Conference accompanied by William Rooke Creswell,[2] Director of Commonwealth Naval Forces since 1904. Creswell privately expressed his frustrations with the Admiralty and with Deakin's abject acquiescence in their program:

> Deakin's policy as announced in his speech is a disguised but complete surrender to Admiralty... must go for a real naval force not Deakin's double shuffling d--d sham...It is not, entre nous, as I would have fixed it...[3]

However, on his return to Melbourne, Deakin without prior consultation with the Colonial Office invited Theodore Roosevelt's 'Great White Fleet'[4] to visit Australian ports in its cruise around the globe. It was evident that strains in United States' relations with Japan over immigration and Pacific affairs matched

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[1] C.P.D., vol.XXXII, p.2582ff., 9 August, 1906.

[2] William Rooke Creswell, (1852-1933); born Gibralter; Director of Commonwealth Naval Forces, 1904; Rear Admiral and First Naval Member Australian Commonwealth Naval Board 1911-19; knighted, 1919.

[3] Creswell to Richard Jebb, London, 17 December 1907; Richard Jebb Papers Library of Institute of Commonwealth Studies, University of London.

[4] M.R. Megaw, 'Australia and the Great White Fleet, 1908', Journal Royal Australian Historical Society, vol.LVI, 1970, pp.121-131, and her 'The American Image in Australia', in N. Harper (ed.), Pacific Circle Two, (Melbourne, 1972), pp.73-92.

Australia's growing concern. Hughes who had been in London in 1907 as a delegate of the Seaman's Union at the Merchant Shipping Conference returned via the United States where the daily press carried anti-Japanese headlines. The Times (London), published the American reports of rioting in California; of naval and military speculation about Japanese war preparations; and of the New York Herald advocating an increase in the size of the Pacific Fleet to match the Japanese.[1]

The American Fleet was given a great reception and it was apparent that the Australian public, officials, and statesmen, saw in the visit more than a 'stately procession of Ships.'[2] The Sydney Morning Herald, gazing into the future prophesied that 'it is likely that America may be the first line of defence against Asia'.[3] Deakin himself quickly discounted any view that Australia might rely more on the United States than the 'Mother Country' as 'too silly for words'.[4] He followed this up in his regular anonymous London editorials:

> ...all the possible misunderstandings between the Empire and the Republic will henceforth be impossible. The two peoples are to walk hand in hand in paths of peace to which a sense of their joint strength is to confine the

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[1] See L.F. Fitzhardinge, Hughes, vol.I, pp.186-95 for an account of the Conference and of The Times reports, June 1907.

[2] Review of Reviews XXXVIII: 344 (1908); cited in Werner Levi, American-Australian Relations, (Minneapolis, 1947), p.89.

[3] S.M.H., 10 August, 1908.

[4] The Times, (London), 29 September, 1908.

> the unruly nations....1

After the American fleet had left Deakin had the temerity to invite the British to send a fleet:

> Strong desire throughout Australia for visit - British Fleet calling each State Capital. It should be as impressive as possible in size and quality...most beneficial influence upon public opinion.

Lord Crewe, then at the Colonial Office appropriately minuted:

> It appears that nothing could be less appropriate than to send a British Fleet to Australia at once as a sort of counterblast to the visit of the United States fleet. If such action is necessary it should have been foreseen before the Americans were invited.[2]

There is little wonder therefore that Deakin was not popular with British officials. Sir Edward Grey privately discounted his speeches at the 1907 Imperial Conference in a private note to his cousin in Canada. He confided that a conversation with him gave a 'stronger impression of a United Empire than he got from any number of Deakin's speeches or from all the Premiers at a Conference'.[3] Deakin on his side was scathing in his criticism, scourging the Office which he contended contained:

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[1] Morning Post, 17 October, 1908; Deakin supplied articles as an anonymous 'Australian correspondent' for some years.

[2] C.O. 418/61, 14 September, 1908 and minute by Crewe, cited in R. Megaw, 'Australia and the Great White Fleet'; see J.A. La Nauze, Alfred Deakin: A Biography, 2 vols., (Melbourne, 1965), for the authoritative account of Deakin.

[3] Grey to Albert, Earl Grey, 29 May, 1909; Grey to Howick MS, cited in Robbins, Sir Edward Grey, p.237.

> a certain impenetrability; a certain remoteness, perhaps geographically justified; a certain weariness of people much immersed with affairs, and greatly over-burdened, whose natural desire is to say "Kindly postpone this; do not press that; do not trouble us; what does it matter. We have enough to do already; you are a self-governing community, why not manage to carry on without us."[1]

From Deakin's viewpoint the Colonial Office was ill-equipped to handle Dominion affairs, yet when Hughes was in London in the same year at the Merchant Shipping Conference, his personal contact with its officials led him to modify his unfavourable opinion of its staff. He was specially impressed with Bertram Cox, a senior officer, but on the other hand was less impressed by the young Winston Churchill, at the time, Colonial Secretary.[2] The Colonial Office were well aware of the problems and perhaps Deakin was far too unsympathetic, for as the Permanent Head of the Office noted, 'when we please Deakin we offend Laurier'.[3] But Deakin's censure did help to produce results, for a 'Dominions Divisions' was created soon after the close of the Conference. Deakin's own experiences foreshadowed Hughes's reservations about the Colonial Office when he in turn became Prime Minister. For Hughes, the channel of communication via the governor-general to the Colonial Office and thence to the Colonial Secretary and finally to Cabinet was far too indirect and chancy for his taste. He plumped for direct communications between the prime minister of the Dominions and the prime minister of the United Kingdom. And hence he ran foul of his own governor-general, British officials, and statesmen; but the times and events were on his side.

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[1] Deakin, Colonial Office 1907, Minutes of Proceedings, Command 3523, 1907, vol. LV, pp.70-2; cited in La Nauze, Deakin, vol.1, p.486; for an older account of the Colonial Office before the War see R.B. Pugh, 'The Colonial Office', Cambridge History British Empire, vol.III.

[2] See Hughes's article in the Daily Telegraph, (Sydney), 3 September, 1907, cited in Fitzhardinge, Hughes, vol.1, pp.88-9; this section is indebted to this study.

[3] Hopwood, minute, 21 October, 1908; C.O. 532/17/38604, cited in Cross, 'The Colonial Office', p.138.

Following Deakin's initiative in securing the visit of an American fleet, he ventured to suggest to Lord Crewe[1] what was in effect a 'Monroe Doctrine' for the Pacific: 'An agreement for an extension of the Monroe Doctrine to all countries around the Pacific Ocean supported by the guarantees of the British Empire, Holland, France, and China, added to the United States.'[2] Germany and Japan were all too clearly excluded. Deakin had no chance of success with this venture as Britain had based her foreign policy in the Far East on her alliance and both Grey and Crewe were utterly opposed to isolating Germany any further. Apart from these factors, both accepted the Monroe Doctrine as little more than an assertion or an ideal and were certainly not inclined to accept an extension of the Doctrine to the Pacific. However, Professor Meaney has, I believe, overstated the case when he asserts that the proposal was 'the most far reaching idea put forward during this pre-1914

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1. Crewe was Colonial Secretary, 1908-10.

2. Deakin to Crewe, 27 September, 1909; F.O. 800/91.

search for security in the Pacific'.[1] For, as he acknowledges, the proposal also illustrated how out of touch with the realities of the diplomatic situation Deakin was, and perhaps, how isolation in the South Pacific naturally bred fear and illusions. Hughes himself almost a decade later was to voice once again, the Australian plea for a 'Monroe Doctrine in the South Pacific'.[2]

While the European scene was deteriorating between 1909 and 1914 there were British statesmen who sensed the urgency and rose to meet the challenge of the events. The Admiralty at last agreed to allow the Dominions to build their own navies. In 1911 Admiral Sir Reginald Henderson visited Australia to report on the naval situation and recommended rapid naval expansion and that Singapore should be the 'basis of the Australian defence, integrity and autonomy'[3]. The 1909 Defence Act incorporated the universal militia training that Hughes had advocated years ago but the Act itself was less than Hughes would have wanted. Nevertheless it was a vindication[4] of a philosophy that he had consistently promoted over the years and indeed his most recent article

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1. N.K. Meaney, 'A Proposition of the Highest International Importance', Journal Commonwealth Political Studies, November 1967, p.200ff.

2. See below, Chapter II, (7).

3. Henderson Report, Recommendations by Admiral Sir R. Henderson 1911, Introduction; Hughes Papers, N.L.A. MS 1538.

4. See L.F. Fitzhardinge, Hughes, vol.I, pp.200-01; for an opposing view that does not square with the facts, see C.J. Crowley, '1901-14', in C.J. Crowley, (ed.), A New History of Australia, (Melbourne, 1974), p.295.

was on the subject and had been published early in the year:

> That all should fight for their country when it is attacked is an axiom of nationality. Universal service aims to give practical effect to a logical truth.[1]

He was not alone in these beliefs. Viscount Kitchener who toured Australia and New Zealand in 1910 emphasised in his Report the advisability of a small population adopting a 'citizen soldiery'.[2] He pointed out in one of his addresses which appeared to be calculated to influence the passage of the Defence Bill that:

> *(It)* will be the foundation on which such a force will be established and maintained. That Bill postulates the recognition of the primary principle that it is the duty of every able bodied man to be trained to defend his country whether by land or sea.[3]

Some years later, in the early days of the War, Grey alluded to the tour, congratulating Kitchener on his success and popularity, remarking that 'the people of Australia will do anything for you'; but Grey was wide of the mark when in the same vein he ascribed the passage of the Bill to Kitchener's 'straight talk'.[4]

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1. W.M. Hughes, MP., 'Defence', Lone Hand, 1 January, 1909, p.254.

2. 'Kitchener Report', C.P.D., vol.II, pp.85-7.

3. Kitchener Address, n.d.; Kitchener Papers, P.R.O. 30/57/39TT8.

4. Grey to Kitchener, 19 December, 1914; Kitchener Papers, P.R.O. 30/57/77.

Apart from Kitchener's tour there was yet another British military expert whose visit should be noted. His comments demonstrated that Australian defence authorities were not alone in their assessment of the dangers that could arise in the Pacific at this time. In mid-1914 General Sir Ian Hamilton inspected the Australian and New Zealand forces in his capacity as Inspector General of Overseas Forces. His tour was notable on at least two counts. Firstly, there were the references in his Report to Japan to which the Colonial Office took exception:

> ...the danger menacing the Swiss is not so terrible as that menacing the Australians...My object in these last lines is to state how far they would be ready should the occasion rise now - at once - to hold their own against disciplined troops from regions washed by the Pacific.[1]

Secondly, on the New Zealand leg of his mission, he spoke at a public meeting in a similar vein which offended Japanese officials who complained to Dominion authorities.[2]

The last significant defence issue before the War that demonstrated the gap between Australian and British perceptions of defence requirements and the strategic situation in the Pacific concerned the deficiencies, as Australians called it, in the Far East in the Pacific Fleet. By 1914 it appeared to them that though the formation of the Australian Unit was progressing satisfactorily, it also seemed that neither the East Indies nor China Units would be formed according to the terms of the 1909 Agreement.

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1. General Sir Ian Hamilton, Report of an Inspection of the Military Forces of Australia, 28 June, 1914, C.O. 418/122/23316 and F.O. 800/68/184.

2. Atlee Hunt, Department External Affairs, to H. Mahon, Minister External Affairs, 17 June, 1915, Hunt Papers, N.L.A. Hunt reported on the Japanese Consul-General's complaint about Hamilton's public remarks.

Joseph Cook[1], the Prime Minister, complained to the Colonial Secretary, Harcourt, that certain important elements of the Agreement were not being carried out. In requesting information for the Commonwealth Cook also suggested a conference should he 'consider such a course necessary'. Cook was mortified to observe that the two battle cruisers which he thought had been designated for the Far East and Pacific Squadrons had been assigned to European waters; that the two Squadrons had been reconstituted and all this 'without consultation with the Government of the Commonwealth.'[2] Fortuitously, Winston Churchill, now at the Admiralty, was to introduce the Naval Estimates in the Commons shortly after the complaint was lodged. In answering the charges of the Dominion in the course of his address to the House he informed them that the Admiralty considered that the now reconstructed Eastern Squadrons adequately fulfilled the intentions of the Agreement and the 'requirements of local superiority or general supremacy'. Moreover:

> the safety of Australia and New Zealand is secured by the naval power and the alliances based on the naval power of Great Britain...The same naval power of Great Britain in European waters protects New Zealand and Australia from any present danger from Japan...there is a strong continuing bond of interest between us *(Britain and Japan)* on both sides. It is this bond that is the true and effective protection for the safety of Australia and New Zealand...

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[1] Joseph Cook, (1860-1947); born, Staffordshire, England; for many years a Trade Union Representative; Federal Parliament, 1901, a Liberal Free Trader; Defence Minister, 1909-10; Prime Minister, 1913-14.

[2] Governor-General to Colonial Secretary, enclosure, letter from Joseph Cook, 28 February, 1914; C.O. 886/7.

Exercising a measure of prescience Churchill concluded that if Britain's naval superiority were overcome then the only course for 'five million white men in the Pacific' would be to seek the protection of the United States.[1] The Australian conclusions to be drawn from this speech were certain. Cook expressed in The Times the conviction that Australians would view seriously any suggestion that the Japanese Treaty alone guaranteed their security.[2] The New Zealand Prime Minister Mr. Massey was much more outspoken:

> If *(Churchill)* means that the people of New Zealand are to be satisfied with the protection afforded by Japanese ships and Japanese sailors then he is very much mistaken.[3]

Harcourt supported the Dominions in their complaint. When the Admiralty prepared a reply Harcourt refused to send it on the grounds that the Admiralty's reply had not answered the charges concerning the lack of consultation and 'simply to ignore this is unsatisfactory' he informed them. On the more serious charge concerning the Fleet Units, he considered the Admiralty's rebuttal a 'smokescreen'.[4] Philip Kerr of the Round Table, the journal and group dedicated to furthering imperial interests, concluded that

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[1] Winston Churchill, 'Naval Estimates', Commons, LIX, 17 March, 1914, cited in Round Table, vol.4 Pt. 11, p.422, cabs 1931-4.

[2] The Times, (London), 26 March, 1914.

[3] Mr. Massey, cited in the National Review, vol.LXXXX, June 1914, pp.704-5.

[4] W. Grahame Greene, Admiralty, to Colonial Office, 9 May, 1914; John Anderson, Under-Secretary State for Colonies to Admiralty, 28 July, 1914; C.O. 886/7; Anderson relayed Harcourt's views.

Churchill was right and his critics wrong for it was the only logical policy in the circumstances.[1] Reassurances of this kind were no comfort to such as George Pearce, more often than not Defence Minister in this decade. He poured out his fears to the Governor-General who had requested his appreciation of the situation:

> We insist that there ought to be a British Fleet for the Pacific; without it British Diplomacy is nullified...and we are compelled to allow our policy to be dictated by our ally.
> A British-Japanese Alliance is better for Australia than a German-Japanese Alliance would be. But the Alliance is temporary, it suits both Japan and us at present, it may suit neither in a few years.... When the Alliance comes to an end what will be our position in the Pacific?'[2]

Australians in this period did not want autonomy in defence nor an independent foreign policy. What they did want was to share in the decisions relating to defence arrangements and to be consulted when matters affecting Australia's vital interest in the Pacific and the Far East were being considered. Australians wanted to be informed and warned if there were changes in policy or arrangements. Above all they would have appreciated the most frank feelings of British Authorities concerning Pacific matters being conveyed to them in the closest consultation but the suspicion grew that the British were being less than frank with them.

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[1] Philip Kerr, Round Table, vol.IV, June 1914, p.444.

[2] G.F. Pearce to Governor-General, private, 4 May , 1914; Lord Denman Papers, N.L.A., cited in P. Heydon, Quiet Decision: A Study of George Foster Pearce, (Melbourne, 1965), p.228.

In these circumstances it was inevitable that British officials and statesmen with the demands and strains of defending and administering a global empire would see things differently from their Australian counterparts and would wichhold and mask their private anxieties preferring not to arouse and alarm Australians whom they judged to be already far too nervous.

(d) The 'White Australia' Policy

The 'White Australia' policy has been the basic structure of Australian society since 1901.[1] This policy was enshrined in the Immigration Restriction Act of 1901 whereby the Commonwealth exercised its right to exclude non-European migrants by means of the device of a 'dictation test' which had been inspired by the Natal test and indeed suggested by the Colonial Office as the least offensive to non-European of the devices proposed. All shades of political and social opinion upheld the policy, though the Labour movement and the Trade Unions, were the most vocal in its favour, having the most to lose. Hughes therefore was merely reflecting deeply held views when he affirmed in the debates on the Bill:

> We want a white Australia and are we to be denied it because we shall offend the Japanese or embarrass Her Majesty's Ministers? I think not.[2]

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[1] See A.J. Yarwood, Asian Migration to Australia: The Background to Exclusion 1863-1923, (Melbourne, 1967); this is the authoritative account of the subject.

[2] C.P.D., vol.IV, 12 September, 1901, p.4819.

Deakin, Attorney-General at the time, dubbed 'White Australia' as 'the Monroe Doctrine of the Commonwealth of Australia'.[1] While the rationale for the doctrine is a complex mixture of racial, social, and economic attitudes, Hughes expressed in the first instance, the economic aspects of the question though he too was a staunch believer in the racial view that Australia should be composed of homogenous British stock.[2] So he pointed out:

> There is no conceivable method by which the Japanese, if once they got a fair hold in competition with our own people, could be coped with.[3]

The economic bias in Hughes's thought is basic whether in its financial, commercial, or trade aspects. It provides a thread of consistency to his attitudes in this pre-War period and throughout his prime ministership so that it explains approaches which from a purely political or diplomatic view would be indefensible or unreasonable. Whether it was Japan or Germany, or even the United States probing in the interests of an 'Open Door' policy in the South Pacific, the economic threat to Australian or British interests would be resisted with the utmost vigour. This was a characteristic of Hughes. As we shall see, this element in Hughes's philosophy helps explain his utter opposition to the German metal monopoly in Australia during the War. It partly accounts for his performance in 1916 in England and his advocacy at the Paris Economic Conference in 1916 of economic exclusiveness in the post-War period. It most certainly helps to explain his more obstinate moments at the 1919 Peace Conference. Opposition to the 'Racial Equality' clause, advocacy of the severest indemnity terms, rejection of a mandate clause that appeared to offer safer military provisions were all explicable from a purely exclusivist economic policy.

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[1] Ibid., p.4805.

[2] See Fitzhardinge, Hughes, vol. 1, p.133-36 on this point in detail.

[3] C.P.D., vol. IV, 12 September, 1901, p.4820.

It is not surprising therefore to find Hughes as early as 1907 expressing his fear of German economic penetration. At the Mercantile Shipping Conference he warned the Empire of the danger that threatened Imperial trade:

> I do not think the Conference realizes that the islands of the Pacific ought to be (if they are not) our exclusive monopoly so far as trading is concerned. I do not mean to say excluding Great Britain, I mean excluding foreign powers. Great Britain has been rather loose in one or two arrangements made lately and I am sure of this that the trade of the Pacific, if not strenuously fought for, will go entirely into the hands of the Germans.[1]

In the face of such an unblushing assertion of economic imperialism Lloyd George, the chairman, and the great Radical of British liberalism at this time branded Hughes's arguments a cover for purely Australian sovereignty over the islands of the Pacific. Events were to bear out the accuracy of Hughes's warning. Nor was he alone among Australian statesmen at this time who railed against the neglect, mishandling, and missed opportunities in the South Pacific. Deakin it was, who expressed himself in this vein in one of his many speeches at the 1907 Imperial Conference, speeches of which Grey, the Foreign Secretary, had been so critical. Deakin pointed out that 'it was not a series of grasping annexations that we have been attempting but a series of aggravated and exasperating losses which we have had to sustain'.[1] Attributing this to a Gladstonian mentality Deakin avowed that this anti-imperialistic perspective never had been part of the outlook of Australian statesmen and that it was more by good luck than good management that Australians acquired the Islands, now under Australian control.

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[1] Mercantile Shipping Conference, Minutes, p.73; cited in Fitzhardinge, Hughes, vol.1. pp.164-167 for the full account of the Conference.

New Guinea was considered an outstanding example of Colonial Office mismanagement. Australians in the decade before the War still remembered that British policy had allowed the Germans to acquire a considerable portion of the island in 1884. But very few knew that as late as 1903 the Colonial Office informed the Commonwealth Government that:

> The record of German New Guinea has not hitherto been such as to make it clear that the acquisition of the whole island *(apart from Dutch New Guinea)*...would have been an advantage to the Empire in general or Australia in particular; nor are His Majesty's Government aware that any disadvantage of a strategic or other nature has

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[1] Deakin, 'Report of Colonial Conference 1907', pp.548-50, cited in E.L. Piesse, memorandum, 8 May, 1922, 'The Spheres of Influence of Australia and New Zealand'; Piesse Papers, C.A.O. CRS A2219, vol.23.
E.L. Piesse, (1880-1947); born Tasmania, post-graduate studies at Cambridge; 1916, Director of Military Intelligence; June 1919, Director of Pacific Branch in Prime Minister's Dept; 1921-22, technical advisor, Washington Conference.

> been caused in the past, or is likely to be caused in the future, by the fact that the parts of the island furtherest from Australia have been brought under foreign control.

E.L. Piesse, Director of Military Intelligence during the War, simply commented that this despatch came just a few years before the Germans commenced their preparations for a naval base at Rabaul in New Britain.[1]

At the 1907 Imperial Conference, a related matter, the administration of the hotch potch of Imperial possessions in the South Pacific was to be considered. They were controlled from Fiji by a High Commissioner directly responsible to the Colonial Office. In 1904 Australia had suggested that the Governor-General should be appointed to the position to be based in Sydney. Although the Colonial Office recognized the need for reform it preferred the governor of the State of New South Wales for the position. Churchill, the Colonial Secretary, envisaged diplomatic wrangles with the French and Germans, disturbing Imperial foreign policy if the governor-general were appointed. He forecast that a governor-general anyway would be little more than a figure-head for the Commonwealth Government and especially its Prime Minister. Deakin, a 'Federalist' from Melbourne opposed Sydney as the seat of power. Within the Colonial Office itself there were strong pressures for the retention of the Western Pacific Commission as an Imperial responsibility. Bertram Cox, a senior Colonial Office Clerk, observed that the Commonwealth wanted to impose Australian views but she was not qualified to deal with native questions or handle affairs with foreign nations. Sir Edward Im Thurm, the High Commissioner, was even more caustic, indicating that so long as the 'White Australia' policy was applied to 'Pacific Islanders' it 'necessarily destroys every possibility of natural union between the Great Island Continent and the Island groups which should be in her train'.[1] It has remained one of the paradoxes of Australia's own imperialistic experience that the Immigration (Restriction) Act, the basis of the 'White Australia' policy, was to be applied to restrict the entry of non-Europeans into what was once German New Guinea. As far as the Western High Commission was concerned, matters remained as they were, except that in 1909 it was agreed that the High Commissioner should direct his correspondence to the Colonial Office through the Governor-General. During Munro Ferguson's tenure of office he was to make valiant attempts to convince successive Colonial Secretaries that Deakin's scheme was the solution to the administrative problems and more importantly, the solution to the trade reverses suffered by British interests by the inroads of foreign competition.

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[1] Colonial Office Despatch, 31 October, 1903, extract cited by Piesse, Memorandum, Ibid., p.18.

Commercial and trade relations with Japan were a vexing issue. Just as the Japanese felt their amour propre was offended by the 'White Australia' policy as regards immigration so they felt equally sensitive about discrimination against Japanese commerce and trade. It is just as well to point out here that Australia was not alone in the Pacific in facing Japanese pressure on these subjects. We have already referred to the anti-Japanese riots in California in 1907. Feelings boiled over again in 1913, this time in Tokyo, as a result of the Bill passed by the Lower House of the Legislature of California whereby aliens were not eligible for ownership of land or to citizenship. Demonstrations in Tokyo were the result of this 'gratuitous insult to Orientals in general and Japanese in particular'.[1] As illuminating as this incident is concerning anti-Japanese feelings in white communities bordering the Pacific, they had not prevented the conclusion of a Treaty of Commerce between the United States and Japan early in 1911 that included the specific proviso that immigration arrangements were excluded from this Treaty.[2]

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[1] Cited in Deryk Scarr, Fragments of Empire: A History of the Western Pacific High Commission 1877-1914, (Canberra, 1967) p.286; this section is indebted to this study, pp.284-87.

It was to avoid such problems reaching Australia that statesmen, such as Hughes, strove with might and main to resist what was to become persistent and insistent modification in the terms of entry and in commercial and trade arrangements. Australian policy in this pre-War period was one of conciliation, avoiding friction and incidents that were likely to provoke the sensibilities of the Japanese and cause some sort of intervention.[1]

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[1] W.J. Braisted, The United States Navy in the Pacific 1909-22, (Austin, Texas, 1971) p.126; see also pp.32-3 for an account of the officially inspired simulated War Games carried out by the U.S. Navy (Blue) opposed by Japan (Orange). Opinions had been secured from Admiral Mahan which were not followed and Orange won!

[2] 'Treaty of Commerce between United States and Japan', 21 February, 1911, State Department, Papers relating to the Foreign Relations of the United States, 1911, pp.315-320, cited in Ibid., pp.13-15.

This was as true of this pre-War period as it was to be of the War period when Hughes was in power but it was in marked contrast to the 1919 Paris Peace Conference when Hughes openly and unashamedly confronted Japanese statesmen.

In 1904, in an effort to meet Japanese objections to the operations of the Immigration Act, the Passport Arrangement was implemented whereby Japanese of the non-labouring class, students, tourists, and businessmen, who had passports issued by their Government could be granted entry. This proved a success and was the system followed for many years but by no means met all the objections of the Japanese who were dedicated to the removal of any discrimination as between them and Europeans. The greater part of the negotiations leading to the Passport Arrangement was carried out during Hughes's brief period in External Affairs.[2] Nevertheless, that the Immigration Act had produced the desired effect is borne out by the plaintive note of the Japanese Consul-General in May 1914 that:

> the provisions of the Immigration legislation were desired to ensure that, ultimately, (and at a not too distant date) there should be no Japanese in Australia excepting such as might be permitted to

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1. Yarwood, Asian Migration, pp.84-103.

2. See Fitzhardinge, Hughes, vol.1, pp.164-167 and Yarwood, Asian Migration, p.88.

> land under special arrangements with the Commonwealth Government.
> The experience of thirteen years has not disturbed such a view of the case.[1]

Pressure to overcome the lack of a commercial arrangement came from various quarters. The stimulus for action seems to have come from the news that Canada was preparing to associate itself with the Treaty and from the rivalry between the Australian States for the highly desirable Japanese market. The New South Wales Premier, for example, aware of Canada's moves, hoped the Commonwealth Government would follow up its Passport Arrangement by even more modifications so that approaches to Japan concerning the 'admission of Australia to the terms and privileges of the conventional, or lower tariff, of Japan would have a greater prospect of success'.[2] It was to no avail. Australia in the pre-War period did not follow the example of Canada or the United States. But right up to the War, where it could, the Commonwealth Government attempted to minimise friction. For example, restrictive legislation in the State of Queensland would have led to the unemployment of the remaining Japanese in the sugar-cane industry. Although sympathising with the State's wish to create and maintain employment for 'people of our own race', Prime Minister Joseph Cook deplored any move that did not pay due regard to

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[1] S. Shimizu, Consul-General, Sydney, to the Minister for External Affairs, 1 May, 1914; C.A.O., CRS A457, item OJ08/6.

[2] J. Carruthers, Premier, to the Prime Minister, 13 October, 1905; C.A.O. CRS 1108 item 23.

'certain considerations in regard to international relations as well as of justice to indivudals'. These considerations the Commonwealth hoped would be reflected in the State's decisions on the matter, especially as there was no question of 'cheap labour' or underselling workers of our own nationality and at any rate Commonwealth legislation ensured that 'coloured immigrants would be a steadily diminishing quantity'.[1]

II OCCUPATION OF THE GERMAN ISLANDS IN THE PACIFIC, 1914 and the so-called 1915 'Agreement'.

For the Australian Government the most important issue arising out of the war years was the question of the future of the German Pacific Possessions occupied by Japanese and Australian forces. The issues arising out of these occupations account for so much of Hughes's diplomacy once he took up office. The relationship between the Japanese and Australian occupations and Hughes's policies is crucial.

In August 1918 at a meeting of the Imperial War Cabinet[2] Hughes insisted that Australia had not been consulted in the British decision to support Japan's claim to the German Possessions in the Pacific north of the equator which had been occupied by her forces in 1914.

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[1] Joseph Cook, Prime Minister, to the Acting Premier of Queensland, 14 May , 1914; C.A.O., CRS A457, item OJ08/6.

[2] I.W.C. Shorthand Notes, 30, 18 August, 1918, CAB 23/43.

Hughes had questioned Arthur Balfour,[1] the Foreign Secretary, on the point during his exposition on 'War Aims'. Balfour stated that his first proposal was the retention of the German colonies. Secondly, the Dominions would retain those which they had occupied and which were adjacent to them. Thirdly, Britain would support Japan's claim to the North Pacific Islands in view of the promise given to them in February 1917 in return for which Japan had given naval assistance; the Dominions had been consulted on this and had consented. It was at this point that Hughes's ingenuous query was posed:

> I should like to understand exactly what the position is with regard to that promise. What is it? Is it anything more than a mere conversation?

The discussion that resulted was plainly an embarrassment to all. Bonar Law recollected that the matter was settled in the early days of the War during Asquith's time when Harcourt was Colonial Secretary[2] and Lord Grey was Foreign Secretary and both approved of the guarantee. Hughes probed further: 'Was it done before I came to England in 1916?' Bonar Law, his memory refreshed, recalled that it had been settled before he took up his position at the Colonial Office, (May 1915). Hughes plunged deeper:

> We were never informed of that you know. It was not before I came to England. I saw the Ambassador with you *(Bonar Law)* and Sir Edward Grey, as he then was.... I am certain of this. I have been in office from the

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[1] Arthur Balfour, (1848-1930); Prime Minister 1902-05; Foreign Secretary, 1916-19; British Delegation, Washington Conference, 1921-2.

[2] Lewis Harcourt, (1863-1922); Liberal MP; Secretary of State for Colonies, 1910-15; Office of Works, 1915-16; viscount, 1917; D.N.B. affectionately known as 'Lulu'.

> beginning of the War, and I am certain the Commonwealth Government were not consulted.

But Bonar Law still felt that Australia had been at least informed in Asquith's day and he thought that it had been approved of by the Australians. Warming even further to his subject, Bonar Law affirmed that in 1916 when Hughes was in London he had himself agreed to it. While Lloyd George's only comment was that it had been settled before his time as Prime Minister, Lord Curzon vividly recalled that it was done in the time of the present Government: 'I remember arguing it at this very table.'[1] As it was obvious that the meeting was hazy on the facts of the case and as it seemed important to Hughes, it was resolved that Lord Robert Cecil should have a memorandum drawn up on the subject. A couple of months later Maurice Hankey, the Secretary of the I.W.C., duly sent Hughes a copy with a covering note which reviewed the circumstances at the I.W.C. that accounted for the attached memorandum.[2]

At the I.W.C. meeting late in December which again discussed the German Colonies on the basis of memoranda by General Smuts, the Foreign Office, and the Colonial Secretary, Mr. Walter Long,[3] Hughes persisted with his attack.

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[1] Very likely it was clear in Curzon's mind because he was the only one who voted against it at that meeting. See D.B.F.P.I, (XIV), no. 167, foot-note by Curzon, 10 November, 1920.

[2] Maurice Hankey to Hughes, 26 November, 1918, Hughes Papers.

[3] Walter Long, Colonial Secretary, 1917-19.

Referring to Smuts's memo which was entitled 'The British Colonies' he protested that the memorandum stated that he considered the arrangement whereby Japan took the Islands north of the Equator was 'fair and equitable' and was the result of negotiations to which he had been a party. Hughes categorically denied these assertions:

> The facts were that the then Colonial Secretary had informed the Commonwealth that it was vitally important not to offend Japan; that Japan was in possession of the islands anyhow, and that nothing we could say would affect their occupation. That was the real position and Australia simply accepted the inevitable.
> Mr. Bonar Law agreed, and said that Mr. Hughes had acquiesced in that which was already done.[1]

Although Lord Robert Cecil's Foreign Office memorandum of October was circulated at the 5 November Imperial War Cabinet meeting there is no record that Hughes commented on it at that meeting. However he registered his objection on behalf of the Australian Government to the recent claim to those Islands by Marquis Okuma, the former prime minister, whose speech had been recorded in The Times.[2] To this Lord Robert stated that the Commonwealth had been kept fully informed at every step of negotiations and had in fact been personally consulted at a vital stage. Firstly, specific reference was made to the March 1915 claims of the Japanese when the Governments of Australia and New Zealand were fully informed. Secondly Hughes by implication in London in 1916 had assumed the Japanese case in his conversations with Sir Edward Grey and the Japanese Ambassador and lastly in 1917 the Australian Government was consulted and consented to the assurances being given to the Japanese.[1]

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[1] I.W.C. shorthand notes, 44, 20 December, 1918, CAB 23/43. Hughes appears to be referring to the 1916 consultations in London with Bonar Law, Sir Edward Grey and the Japanese ambassador.

[2] I.W.C., 36, 5 November, 1918; CAB 23/43. In the copy in the Hughes Papers, Hughes has written against Lord Robert Cecil's remarks 'This is not true'. These conclusions were published in 'Western and General Report' no.93, 7 November, 1918; copy in Hughes Papers, N.L.A., MS 1538.

Contemporary Australian critics have, on the one hand, accused Hughes of not securing these Pacific Islands while others, perversely, have deemed it unwise[2] for Australian authorities to press for their acquisition. Representative of the former was the 'Manifesto of the Labour Party' in the 1919 election campaign accusing the Hughes Government:

> The nationalist government have failed absolutely to stand for a White Australia and no satisfactory explanations have been given of the secret arrangement whereby Japan obtained a footing in the Caroline and Marshall Islands. Through its unsound policy in the Pacific it has given an ambitious nation a base within easy reach of our shores.[3]

Of the latter, Colonel Legge, Chief of the General Staff, informed the Governor-General in May 1915 that 'if as an Australian soldier he were offered the islands North of the Line he was nor sure he would nor rather be without them.'[1] Colonel Burns, of the large mercantile and trading firm in the Pacific, Burns Philp, and a confidant of the governor-general, in his own memo on the subject considered Australia would be served best by:

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[1] Lord Robert Cecil, Foreign Office, Confidential, for the War Cabinet, 15 October, 1918, F.O. 371/3236/176414. Cecil was Under-Secretary of State for Foreign Affairs.

[2] At this point selected references will suffice; the full weight of the arguments for and against will be developed in this and succeeding chapters.

[3] Manifesto of the Labour Party, signed by G. Tudor and T.J. Ryan, December 1919, Hughes Paper, N.L.A., MS 1538.

> making a virtue of necessity; agree to Japan retaining the islands north of the equator; and have some understanding with them as to trade with those south of it, in order to prevent our gradual exclusion from their trade.

To compound matters, Rear Admiral W.R. Creswell, the First Naval Member, in December 1914 considered these Islands were of the utmost value for Australian naval defence:

> It is important that our position in regard to the Marshall, Caroline, Marianne, and Pelew groups of Islands be clearly stated and recorded.
> These islands were surrendered to the Australian Expeditionary Force on the capture of the seat of Government of the German Pacific Possessions and definitely and distinctly included in the surrender.[2]

As Roger Louis, a recent writer on the subject, has pointed out, opinion 'divided itself roughly into two camps: those who regarded themselves as "Little Australians" and those who thought Australia had a "Pacific destiny"'.

On the question as to whether Hughes was correct in arguing that he had not been consulted on the matter and

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1. Munro Ferguson, minute dated 13 May 1915, in 'Precis of References to Pacific Possessions in Personal Letters to C.O.', 5 August, 1915; Viscount Davidson Papers, House of Lords Record Office. He was the private secretary of both Harcourt and Bonar Law at the Office.

2. W.R. Creswell, First Naval Member, Memorandum, 30 December, 1914; C.A.O., (Melbourne), MP1049/1, Box 7, file 14/0461, item W112/4/657. Senator George Pearce, the Defence Minister, minuted that it was recommended to the Prime Minister that action on the above lines should be taken; 10 February, 1915. The letter to the Colonial Office finally was not sent.

that he had merely 'acquiesced in something which had already been done', a veritable _fait accompli_, it is important at this point to place his allegations in the context of the general debate on consultation which, as we have seen already, was a sore point with successive Australian statesmen. It was to arise again and again and indeed, constitutes one of the continuing themes of this study. It was to concern him more and more to the point of obsession. Hughes to the end considered real consultation was denied him on the matter. Thus this issue warrants detailed critical analysis, especially as it has been the subject of attention by recent writers on the subject. Louis, for example tends to suggest there was consultation of a sort[1] while Meaney asserts that Hughes only backed down on his claims when the Australian Cabinet indicated it would not support such unrealistic claims.[2]

We have seen that the attitude of the British towards the Anglo-Japanese alliance in 1914 was that it was necessary for strategic reasons. Reluctantly the British Government had to admit that German naval operations could not be resisted effectively single-handed. The weakness of British naval capability in the Far East at this time was due directly to the re-organisation of Britain's naval forces[1] that so alarmed the Australians. Although Britain had maintained superiority over the German forces it could not put them out of action without calling on the Japanese and so invoking the Alliance. This action therefore was partly responsible for the subsequent occupation and retention of the German possessions in the North Pacific.[2] If Japanese naval action was required, the Foreign Office, and Grey, were prepared for the quid pro quo:

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[1] W. Roger Louis, _Great Britain and Germany's Lost Colonies 1914-19_, (Oxford 1967), pp.46 and 79-80.

[2] N.K. Meaney, 'Australia's Search for Security in the Pacific', Paper delivered at Institute of Commonwealth Studies, University of London, 1972.

> Japan is barred from every part of the world except the Far East, and the Anglo-Japanese Alliance cannot be maintained if she is to be barred there also or if we are to take the German concessions in China as well as taking German concessions in Africa and elsewhere... I do not wish to make offers to Japan at the expense of China, but in my opinion if we had not made it clear that we should not bar Japan's expansion of interests in the Far East, it would clearly have been in Japan's advantage to throw in her lot with Germany.[3]

As Cedric Lowe has concluded, 'the reckoning was to come, they thought, after the war in Europe was concluded'.[4]

British statesmen and officials for the remainder of the War were to mask their anxieties on these areas in their relations with Australian officials and statesmen.[5]

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[1] See above and Marder, From the Dreadnought to Scapa Flow, vol.I pp.40-43, 236-39 and vol.II chapter VI; also see Lowe, Great Britain and Japan 1911-15, pp.178-9 and I. Nish, Alliance in Decline: A Study in Anglo-Japanese Relations, 1908-1923, (London 1972), pp.118-19. For a view that opposes the contention that naval exigencies demanded Japan's naval assistance see D. Dignan, 'Australia and British Relationships with Japan, 1914-23', Australian Outlook, vol. XXI, no.2, August 1967, pp.144-146.

[2] P. Lowe, Great Britain and Japan, 1911-15, pp.178-9.

[3] Grey, Minute, 16 February, 1916; F.O. 371/2647.

[4] C.J. Lowe, Mirage of Power, vol.II, British Foreign Policy, 1914-22, pp.2-7.

[5] There is abundant evidence in marginal comments and minutes in F.O. 371 on this score to which there will be references as we proceed.

If the full record of Foreign Office anxieties and opinion had been relayed to the Australian Government it might very well have alarmed them, created bitterness, and strained relations, leading to emotive measures.[1] All this could have been in the minds of the British causing them to withhold the full picture, but one must agree with Dignan's conclusion that in the long run it might have been better for Australian Authorities to have been 'exposed to all the facts and undistorted specialist opinion'.[2] For the Australian expert on Far Eastern affairs, E.L. Piesse, this aspect was made clear to him at the Paris Peace Conference by Commander J.G. Latham, a 'technical advisor' attached to the Australian delegation:

> I have met quite a number of Foreign Office people subordinates of various kinds, and a lot of Naval people and have formed the impression that we have their fullest sympathy with respect to Japan. Their view is that the utterances of high persons are not due to any particular affection for our Eastern neighbour, but are dictated by expediency and are part of a general camouflage policy.[3]

C.J. Lowe has also commented that Grey, by his handling of Japan between August and December 1914 'ensured that Britain obtained the worst of both worlds'.[4] That is to say, not only was the integrity of China threatened but Japan also expanded into the Pacific to the consternation of the United States and the Australasians. On top of this the issue strained relations with Japan, an invaluable ally against Germany which was the main pre-occupation in Grey's mind at this time in what was by far the critical theatre of the War. This pre-occupation may well account for his policy going astray in the face of the Japanese who, as Ian Nish points out, 'were playing the stronger hand.' For Nish, the crisis of August was an early occasion when the Japanese manipulated British needs for their own ends and exploited the Alliance to the limit to fulfill their own purposes.[1]

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[1] One Australian MP in the 1916 conscription debate opposed conscription for overseas service on the grounds that Australians would be required to defend Australian shores against the menace 'from the north'. See D.M. Catts, James Howard Catts, (Sydney, 1953), Passim.

[2] Dignan, 'Australia and British Relations with Japan', p.149.

[3] Latham to E.L. Piesse, private, 21 February, 1919; Piesse Papers, N.L.A., MS 882/5. Piesse was Director of the Pacific Branch in the Prime Minister's Department and was the Australian expert on Far Eastern affairs.

[4] Lowe, Mirage of Power, p.287.

This is a convenient point to comment on the Australian involvement in the Pacific. As a result of the Japanese expansion into the Pacific, which Grey had been unable to contain, it was their forces that effectively occupied the German Islands in the north Pacific rather than the Australians who had expected to do so on the basis of British instructions.[2] What the Australians did capture was Rabaul, capital of the whole German Empire in the

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[1] Nish, Alliance in Decline, p.131, ff. See also P. Lowe, Great Britain and Japan, and L.F. Fitzhardinge,'Australia, Japan and Great Britain, 1914-18; A Study in Triangular Diplomacy', Historical Studies, vol.XIV, no.54, April, 1970, pp.250-9

[2] On 5 August, 1914, a C.I.D. Sub-Committee, the 'Offensive Sub-Committee' authorized operations against the German Colonies. Hankey the secretary of the C.I.D. states:'Harcourt as Colonial Secretary had of his own initiative and so far as I know without consulting anyone, communicated with the Various Dominions and Colonies with a view to their taking action'. Cited in Hankey, Supreme Command, pp.168-9; see Louis, Germany's Lost Colonies, p.41, f.n.20.

Pacific, north and south, in mid-September 1914. In the 'Terms of Capitulation' the Islands north of the Equator were specifically included:

> The name Deutsche New Guinea (German New Guinea) includes the whole of the German Possessions in the Pacific Ocean lately, administered from Rabaul...[1]

Here was the basis of Hughes's contention concerning these Islands. Admiral Creswell, the First Naval Member, proposed in December 1914 that the Australian right to a claim to these islands should be lodged with the British Authorities for consideration 'in any final arrangement for their disposal.' The best legal opinion in the country was sought. R.R. Garran[2], the Solicitor-General, whom Hughes, now the Attorney-General, ranked as the greatest public servant in the Commonwealth, concurred with the legal advice. Although it was accepted that the German possessions north of the Equator were included in the Terms of Capitulation (as distinct from a formal surrender), it went on to conclude that:

> It may be doubtful whether the mere surrender by the Governor of Rabaul, even if expressed to cover all German possessions in the Pacific, would put the Marshall, the Caroline, the Pelew and Marshall Islands in British occupation....*(But)* in company with the other facts stated *(it would)* be a substitution of the British or Allied occupation for that of Germany....[3]

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[1] E. Haber *(Acting Governor)* and W. Holmes *(Colonel Australian Forces)*, 'Terms of Capitulation', 17 September, 1914, *(Holmes Papers)* in the Travers Papers, Mitchell Library, Sydney, Uncat. MSS15/1. This collection will be referred to as the Holmes Papers. Travers was the son-in-law of Holmes.

[2] R.R. Garran, (1867-1957); Solicitor-General, 1901-1932; Hughes's legal advisor at Paris in 1919; Knighted in 1917.

[3] Garran, Minute, Attorney-General's Department to Secretary Dept. of Defence, 4 November, 1914; attached is the legal opinion, 'German New Guinea-Effect of Surrender', W. Harrison Moore, C.A.O., CP316/1/17.

At the very least this legal opinion left the question open; it would have to be settled later. And this really squared with Admiral Creswell's thesis, and subsequently Hughes's that the occupation of these Islands ought to be 'without prejudice' pending the final arrangement for their disposal when it was expected that the Australian case could be aired.

The So-Called 1915 'Agreement'.

It is evident that Imperial authorities had been embarrassed by the turn in events. Grey had informed Harcourt earlier that 'there are the materials for a tragic row' and that the 'Australians must hold their hand somehow till we come up with an understanding with the Japanese.'[2] The Foreign Office began its review of these events almost immediately. One official typed on the back of his copy of Grey's letter that the 'Australian Authorities are mistaken about this.'[3] Ambassador Greene, a Jaunophile, taking up this argument, expounded the Japanese case. Japanese forces had taken these islands; they were 'as near to Japan as they are far removed from Australia' who ought to be satisfied with her acquisitions 'south of the line'. Moreover if the war were to swing to Germany's favour it would be the Japanese and not the Australians who would have to fight Germany for their possession.[4] However, the weight of opinion in the Office, and with which Grey agreed, was that the Japanese action was 'at variance with assurances given in public' by Baron Kato on 19 August. Not only this, it was considered that while the Japanese Note Verbale stated on the one hand that the

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1. Secretary to State for Colonies, cablegram, 3 December, 1914; C.A.O., Melbourne, MP 1049/1. f/112/4/446.

2. Grey to Harcourt, private, 23 November, 1914; F.O. 800/91/481.

3. Typed comment, unsigned, Ibid.

4. Greene to Grey, private, 5 December, 1914; F.O. 800/68/194-201.

occupation was 'without prejudice to final arrangements' it concluded that in view of services rendered 'the nation naturally would insist on retaining permanently all the German islands lying north of the Equator....'[1]

While these lengthy minutes and correspondence emphasised that the Japanese action had not squared with previous public guarantees it was recognized, as Kato was quick to point out, that Japanese participation had been greater since 19 August; but again, as Alston observed, so far as the British were aware there had been no Japanese losses at sea nor did they capture any ships nor was any blood spilt in the 'capture' of these Islands. There is a sense of resignation in the Foreign Office's acknowledgement of the realities of the situation. Thus while Alston noted the Australian insistance that these Islands 'formed part of the administrative area of German New Guinea which was included by the Governor in the surrender to the Australians', he still felt obliged to acknowledge that the Japanese must have some compensation somewhere in the Pacific. However, it was still impossible for the British 'to consider the matter as settled' as the Japanese had urged, in view of the British undertaking with the French and Russians that all territory occupied was without prejudice pending final arrangements. This prior arrangement between the European Allies proved to be the means by which the Foreign Office was able to stall the Japanese and save face with the Pacific Powers.

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[1] Grey to Greene, 1, 3 December, 1914, latter including Note Verbale, F.O. 371/2018/77663; Minutes by Alston, Langley, and Nicolson, 2, 17 December, Ibid.

As much as anything, the British were concerned about American reaction. Grey cabled Greene at Tokyo with evident urgency, that it would be well to be informed of anything that Japan had said to the United States. From the exchange of cables it would appear that the United States Ambassador at London had not mentioned their reaction to the occupation.[1] Ambassador Page had in fact informed President Woodrow Wilson that there is 'much talk quiet and discreet about Japan' and the Pacific Islands.[2] Quiet and discreet were the operative words at this time. Thus Harcourt wrote to Munro Ferguson hoping to allay the fears of the Australians explaining the turnabout in events only days after his cable requesting the Australians to remain south of the Equator. Harcourt admitted to Munro Ferguson that it was the pressure on the Royal Navy that had led directly to the call for 'Japanese aid'. He could rest assured that Japanese pressure to consider the matter settled had been resisted:

> All this is a long story...but the moral of it is that you ought in the most gradual and diplomatic way begin to prepare the mind of your Ministers for the possibility that at the end of the war Japan may be left in possession of the Northern Islands and we with everything south of the Equator.

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[1] Grey to Greene, telegram, 3 December, 1914; F.O. 371/2018/77663. Greene to Grey, 5 December, 1914; F.O. 800/68/201.

[2] Walter Hines Page to Woodrow Wilson, 15 July, 1915; Woodrow Wilson Papers, cited in Braisted, The United States Navy in the Pacific, p.163. Page commented in January 1916 that he felt that Britain would resist Japan's request for 'large advantages and privileges' after the War; Ibid. (The Americans retained their interest in Yap and the Marshalls. Yap is the subject of debate at Paris in 1919 and a subject for treaty at Washington in 1921-22. R.H. Fifield, Woodrow Wilson and the Far East: the Diplomacy of the Shantung Question, (New York), 1952, p.126 f.n. 57 says these Islands were used for naval bases during the Second World War. P.B. Haigwood shows that Japan between the wars did not fortify the Islands in the 'classic' sense but the installations erected would have been easily converted almost immediately when required; P.G. Haywood, 'Japan and the Mandates', in W.R. Louis (ed.) National Security and International Trusteeship in the Pacific. (Annapolis, 1972), pp.97-109. Such matters were the basis of Hughes's 'nightmares' and thus were not just shadows in the night.

Harcourt acknowledged that he had set Munro Ferguson a hard task and that the Australians would not like it but the prospect of gaining German New Guinea 'the territories most continguous to Australia' was the important aspect to emphasise.[1]

There was no need to urge Munro Ferguson on in a task that related to the extension of Britain's 'Liberal' Empire. He had anticipated Harcourt's request. As early as October, he discussed with Sir Edmund Barton, the first Prime Minister, Sir S. Griffith, the Chief Justice of the High Court, and Colonel Burns,[2] methods of administering British possessions in the Pacific with specific references to New Guinea. It was their belief, he informed Harcourt,[3] that there would be a direct relationship between Australasian War effort and 'Imperial defence' and the prospect of gaining the responsibility for administration of these Islands.

For some months Munro Ferguson was to pursue this course of sounding out leading men in business, legal, military, naval, and political circles - the 'best' opinion,[4] which included the Prime Minister, and the Attorney-General, Hughes. Colonial Office reaction to this was mixed. While Harcourt had instigated the whole business and even though Munro Ferguson had been requested to discuss matters in general, Colonial Office opinion was concerned that the policy being outlined by the Governor-General to the Australian Prime Minister might not be the policy of Her Majesty's Government, so that, it was felt, he 'should be "warned off" at once'. Apart from the German possessions Munro Ferguson had referred to the possibility of the Commonwealth acquiring New Caledonia and the French interest in the New Hebrides. This elicited a final minute that "I am afraid Sir R. Munro's sense of proportion has become affected'.[1]

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[1] Harcourt to Munro Ferguson, private and personal very secret, 6 December, 1914; Novar Papers, N.L.A., 696/1306-9.

[2] Sir James Burns, Colonel, M.L.C., Head of the large mercantile and trading firm, Burns Philp & Co., having extensive interests in the Pacific; a confidant of Munro Ferguson;' MS Section, N.L.A., 1968.

[3] Munro Ferguson to Harcourt, Melbourne, 21 October, 1914; Novar Papers, MS 696/608.

[4] Munro Ferguson to Colonial Office, Despatch, 25 January, 1915; Novar Papers, N.L.A., MS 696/656.

In an endeavour to retain a proper sense of proportion the Australians pressed Harcourt concerning the terms of the Japanese occupation of the Islands.[2] So concerned was Harcourt now, that Australians should have the 'facts' so that they could appreciate the dilemma that faced the British Government he requested the Foreign Office for a memorandum on the Japanese negotiations citing the actual texts of the cables and correspondence. The Foreign Office agreed only on the understanding that paraphrases should be employed rather than the citation of the original text. The Foreign Office, fearing for the safety of its cypher, complained that in fact the Colonial Office Memorandum that had been despatched to the Dominions virtually was the text. Not only was the secrecy of the cypher endangered but, as one official noted, 'I am not convinced that some of the quotations might not find their way to the public which would be madness'. In the event, Grey and Harcourt, made a virtue out of necessity, pointing out to the Australians that the correspondence demonstrated that now there should be no 'uneasiness in the minds of your Ministers lest the British Government should have come to some understanding with the Japanese Government'.[1] There was more to be said. Harcourt informed the Governor-General that Grey had permitted the despatch of copies of the actual cables of all essential telegrams which have passed between the British and Japanese Governments:

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[1] Minutes, 10 March, 1915; C.O. 418/132/11137, incorporating the above despatch of the governor-general of 25 January, 1915.

[2] Secretary of the Prime Minister's Department to Official Secretary of Governor-General, requesting cable to Secretary State Colonies, 18 February , 1915; C.A.O., Melbourne, MP 1049/1.

> These telegrams are of such a very secret character that though you are at liberty to show them to your Ministers, I hope no copies will be taken of them by anybody and that no reference to them shall be allowed, by any possibility to leak out.[2]

Harcourt thus had had a serious difference of opinion with the Foreign Office in his desire to inform the

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[1] This subject is dealt with in F.O. 371/2382/32664, which included the above Minute by Miles Lampson, 15 March, 1915, Harcourt to Munro Ferguson, most secret, 19 March, 1915 and Grey, F.O., to the C.O., draft, 6 April, 1915; also the Memorandum in question on the correspondence between Greene and Grey in 1914, sent out in the despatch to the Governor-General, 23 February, 1915.

[2] Ibid. Grey's draft letter to the C.O. included Miles Lampson's recommendation that 'they destroy them as soon as they have communicated their substance verbally to the Ministers concerned.'

Australians of Britain's dilemma in the Pacific. At much the same time he ran foul of Montagu and the Conservative leaders, Bonar Law, and Lord Lansdowne. Harcourt had prepared a Memorandum for the War Council, entitled 'The Spoils', concerning the fate of African, Middle-East, Asian and Pacific territories. The possible fall of Constantinople and the Ottoman Empire, Harcourt argued, 'would force a premature discussion of a division of the yet unacquired spoils of the whole war.' The Memorandum is one of the earliest on British war aims on the colonial question and argued that the German possessions would be essential for the future security of the Empire. It would mean that even if the War in Europe was inconclusive the British Empire and the Allies would have, at any rate, gained a solid prize. The territories also could be used to settle outstanding colonial disputes with the French. On Pacific matters Harcourt maintained that it was evident that the Japanese intended to claim the possession of all the islands she now occupied at the end of the War with the possible exception of Yap: 'I fear that this will cause great trouble in Australia especially as regards the Marshall Islands the trade of which has been even under German rule exclusively with Australia'. Nor would the United States be pleased at the expansion of Japan athwart her communications between the Philippines and the Hawaiian Islands.[1]

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[1] Harcourt, Memorandum, 'The Spoils, 25 March, 1915, Bonar Law Papers, House of Lords Record Office, MS 55/41; only nine copies were printed. Concerning the Marshall Islands' trade Harcourt overstated the case. Australia was the major trader followed by Germany then Japan; see L.E. Gelfand. The Inquiry: American Preparations for Peace, 1917-1919, (New Haven, 1963), pp.269-272.

Harcourt evidently approached Bonar Law and Lord Lansdowne, both of whom were members of the War Council,[1] for their opinions but they refused point blank to tell him. Bonar Law was loath to commit himself to premature decisions which could be prejudicial in the final event.[2] Moreover he recognized that the issue of a 'hard' or 'soft' peace was involved and a consideration of such matters at this time was too divisive an issue. Similar thoughts had passed through Hughes's mind at this time concerning Andrew Fisher's call for an Imperial conference to discuss 'inter alia the principles and terms(?) of peace'. He also was not in favour of anticipating the position which would exist at the termination of the War and for much the same reasons: 'It may mean the parting of the ways'. That is, he expanded for Garran's benefit, 'we may hurt the feelings of one or more of our present allies' and 'a settlement say of a Pacific policy which would be acceptable to Britain might be more distasteful to us. And we should have a right to be heard'.[3]

Harcourt's Memorandum left Montagu non-plussed to say the least, judging from the stinging rebuke he prepared in his rebuttal of Harcourt's thesis. There is no evidence that this Memorandum was ever used but as an expression of

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[1] See Doreen Collins, Aspects of British Politics 1904-1919, (London, 1965), Chapter 4, 'Liberals in War Time' for a discussion based on primary sources of the creation of the War Council and its expansion to include these Conservative leaders.

[2] Lansdowne to Bonar Law and Bonar Law to Harcourt, both 1 April, 1915; Bonar Law Papers, MSS 37/1/1 and 5/4, cited in V.H. Rothwell, British War Aims and Peace Diplomacy, 1914-1918, (Oxford, 1971), p.20.

[3] Hughes to Garran, 27 February, 1915; Garran Papers, N.L.A., MS 2001/13/1-2.

Montagu's distaste for a 'hard' peace is superlative in its characteristic phraseology and as an example of scholarly invective it would be difficult to surpass. Harcourt who was prepared to fight the battles of the Australians on this point found no sympathy from Montagu:

> He *(Harcourt)* fears that the Australians may be angry if the Japanese get some of the Islands...and yet I think the Japanese have been far more useful to us in this war than the Australians and would have been still more useful but for Mr. Harcourt himself...I would far rather cede Australia to the Japanese than cede to Australia anything that the Japanese want.[1]

What surprised Montagu was that such a man as Harcourt whose liberalism was impeccable could write such a Memorandum: 'The seductive attractions of the C.O. had destroyed Mr. Harcourt's "Little Englandism and made him a Flag Waver".'[2]

Between February and May the Governor-General carried out a veritable campaign of bringing round Australian leaders to the Colonial Office view of matters. In February he chatted with Colonel Legge, Chief of the General Staff, who was convinced Australia should stay out of those regions and stick to south of the Equator, for this was all that

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[1] The memorandum is in appendix I of this thesis; n.n., n.d., *(probably April 1915 being attached to the foregoing of similar date)*; Asquith Papers, Bodleian Library, Asquith MS 27/93-95.

[2] Edwin Montagu: (1879-1924); statesman, and Liberal MP; 1906-22; Private Secretary to Asquith, 1906-10; Parliamentary Under Secretary of India, 1910-14; Financial Secretary to Treasury, 1914-16; Chancellor of Duchy of Lancaster with a Cabinet seat, 1915; Minister for Munitions, 1916; Secretary of State for India, 1917-22.

'in common prudence we should attempt to administer'. Legge reiterated these views in May: 'They would be expensive to hold, and Japan would seize them on the outbreak of War'; whilst if Japan held them 'she could not mass troops there without the Australian Government knowing of it and they would still be 1000 miles from our outlying possessions'. In March he consulted Sir Samuel Griffith, the Chief Justice of the High Court' and Sir William Irvine, a former Attorney-General and now deputy-leader of the Opposition of whom Munro Ferguson had the highest opinion. The former saw no difficulty with the Equator as the boundary between the two spheres of interest but Irvine, a firm proponent of the 'White Australia' policy, considered Australian opinion would be greatly disturbed were Japanese influence extended beyond the Equator. He acknowledged that between Allies there would have to be give and take but would be far happier to see the Japanese out of the Islands occupied by her but would not be keen for an Australian occupation.[2] The leader of the Opposition, Sir Joseph Cook, was alarmed at the prospect of Japanese bases so close to the Equator and Australia, though as he confided to Munro Ferguson, he would not quarrel with Japan over the issue.[3]

Most important of all were the conversations with the leaders of Government. Hughes appears to have been consulted

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[1] Munro Ferguson to Harcourt, 18 February and 13 May, 1915; Novar Papers, N.L.A., MS 696/656-60, and 687; Novar Diary, entry for 18 May , 1915; 'saw Col. Legge before he sailed'. This diary is in the possession of Professor Poynter, Vice Chancellor (Research) of the University of Melbourne; extracts are to be published shortly.

[2] Ibid., 10 March, 1915; Novar Papers, MS 696/667; and 24 March, 1915, MS 696/673; Novar Diary, 12 May.

[3] Ibid., 6 April, 1915; Novar Papers, MS 696/676-7; Novar Diary, 30 March, 1915.

once early in the round. Munro Ferguson noted that Hughes quite appreciated 'the importance of the Pacific Question as it affected India, Japan, United States and Australia'. He showed a reasonable spirit in discussing concessions but 'he was a born politician' and I am afraid that it is unlikely that his real opinion will remain unchanged by party prejudice and passion'.[1] The implication here is that Hughes would in the event be uncompromising in company with Irvine, Atlee Hunt, Burns, Creswell, and Pearce.[2] Amongst other matters on which Hughes was consulted was the problem of the New Hebrides Condominium that Munro Ferguson hoped to solve and the Enemy Trading Bill. On this latter subject the Governor-General noted that Fisher and Hughes were not completely in accord though the Chief Justice agreed with Hughes's approach on it which was fundamental to his concept of waging war to the uttermost against an enemy whom he judged to be already within the gates.

Senator Pearce, Hughes's confidant, was with Andrew Fisher, the Prime Minister, when Munro Ferguson gave them access to the 'most secret' material despatched to him by Harcourt and Grey. He was privy to all the material that was available.

The record shows that there had been the fullest discussion and consultation with Fisher. He had had the benefit of Colonel Burns's memoranda. He had seen the

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[1] Munro Ferguson to Colonial Secretary, Despatch, 25 January, 1915, C.O. 418/132/11137.

[2] Creswell and Pearce already had expressed their uncompromising stand in the Memo prepared for the Admiralty, 19 February, 1915; see above. Munro Ferguson's light estimate of Creswell would account for no record of an interview; Ibid., 23 September, 1917, Novar Papers, MS 696/690. Of the Pearce interviews there is no record of his opinion; 13, 27 April, 15 May, 1915, Novar Diary, and Novar Papers, 13 April, 1915, MS 696/6960-1.

'most secret' correspondence between Grey and Greene. In February before the weight of all the correspondence and events had had their maximum impact Fisher was convinced that Australia would have enough on her hands south of the Line and that for the 'Little Australians' even this would be too much. He had developed a 'nervousness', so Munro Ferguson informed Harcourt, over the possible establishment of bases so close to the equator although it was apparent that Cook was more 'jumpy' or 'alarmed' than he. There were also the revelations of the Grey-Greene correspondence, the extracts from Japanese newspapers supplied by the British Embassy at Tokyo and then on top of it all, the accounts appearing in the press of Japanese aggression in China, the notorious 'Twenty One Demands' - all calculated to increase Fisher's state of nervous tension.[1] He therefore decided that in the most informal way he would allude to this Pacific question. Some time before 13 May he informed Cabinet that 'nothing is to be done until the peace settlement' on the Islands question. On the nineteenth he 'initiated an informal discussion on the future of the Islands of the Pacific' which, he informed Harcourt, 'followed lines agreeable to your views. The feeling *(was)* for not giving trouble over the continued Japanese occupation of islands north of the line'.[2]

These two quite informal discussions appear to be the only times that the subject reached Cabinet level. As L.F. Fitzhardinge has put it, ' the question was never squarely put to Cabinet'.[1] There certainly is no record of a Cabinet decision. It is also difficult to accept that the leading members of the Cabinet who were consulted by the Governor-General gave their opinion on the basis that these consultations constituted a final yea or nay. There is no air of finality about the matter at this stage although the Governor-General concluded that the Australians would very likely acquiesce to the fact of the Japanese in the Islands. It seems to me it was the blanket of secrecy that Harcourt, Grey and their advisers covered over the whole affair, and with good reason, that stifled any proper consultations. As Hughes had noted, an Imperial conference on the matter, Fisher's idea, would risk offending those who currently were Allies. And as Harcourt expressed it, that no 'anti-Japanese agitation should, during the progress of the war be allowed to arise in Australia', was vital for in such circumstances the Japanese Government might 'press us for an immediate recognition of their claims'.[2] He could well have added what was in the minds of British leaders; that Japan then might very well swop partners. As Fisher was sworn to secrecy no full scale debate was possible in Cabinet let alone in Parliament.

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[1] Ibid., 18 February, 10, 13 May, 1915, Novar Papers, MS 696/656-60, 687, Novar Diary, 13, 17 May, 1915.

[2] Ibid., 13, 19 May , 1915 Novar Papers, MS 696/687, 692; Novar Diary 17 May, 1915. Andrew Fisher, (1862-1928), Australian statesman; migrated from Scotland; prime minister, 1907, 1908-9, 1910-13, and 1914-15; high commissioner at London, 1915-21.

It is significant to note that Lord Robert Cecil's memorandum did not claim that Fisher's Government had given any assurances, but merely noted the full and frank disclosure of the correspondence in March 1915. Certainly the Australian Government was informed of what had happened. The introductory section of this Cecil memo was based on an earlier one, in December 1915, which traced matters through 1914 and 1915.[1] There is no reference again to any assurances given by the Fisher Government. Nor does Grey refer to them at all in the vital 1916 consultations with Hughes in London.[2] And again in the February 1917 request by the Colonial Secretary for a formal acquiescence by the Australians of the agreement that Britain was prepared to conclude with the Japanese there was no reference to these discussions. Yet Bonar Law and Lloyd George both had stated that the matter had been settled in Asquith's time. It would seem that the Foreign Office felt they were on safer or stronger ground by ignoring these 'negotiations' for the purpose of formal argument or else considered them as informal discussions that could hardly be used as a basis for an agreement between Governments. But there is no doubt the opinions of Australian leaders provided the British authorities with the information which could be used as a basis on which to proceed when the Japanese inevitably would seek permanent occupation.

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[1] L.F. Fitzhardinge, 'Australia, Japan and Great Britain, 1914-1918: A Study in Triangular Diplomacy', Historical Studies, Vol.XIV, no.54, April 1970, p.256; and his The Little Digger.

[2] Harcourt to Munro Ferguson, most secret, 23 February, 1915; C.O. 418/132/8056.

Hughes's critics in the Australian Parliament had to wait till the debate on the Treaty of Peace in September 1919, before they could confront him personally with his deeds as Prime Minister abroad and 'plenipotenionary extraordinary'. It was contended that 'apparently he gave the islands away in 1915 and then went and kicked up a shindy in France in 1919 to mislead the people of this country'. J.H. Catts, continuing his marathon diatribe on Hughes's misdemeanours overseas, labelled this 'the most traitorous act that ever occurred in the history of Australia'. Hughes thus as second in command in Fisher's Government had consented in 1915 to the position whereby the 'flood tide of Asia had rushed three thousand miles nearer these shores'. Catts, F.J. Tudor, the Labour Party Leader, and Senator O'Keefe, all fruitlessly sought an answer to this question.[1]

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[1] C. Wing, 'Memorandum on the Japanese Occupation of Pacific Islands, 22 December, 1915; F.O. 371/2689/18115. Wing minuted to Alston, 22 December, 'This is the promised memo...I feel that our information as to the facts is not complete whilst we know nothing as to the attitude of the other Departments towards the permanent possession of these islands by Japan.'

[2] Cecil, memorandum, 15 October, 1918; F.O. 371/3236/176414.

Hughes and Sir Joseph Cook pointedly avoided referring to the 1915 discussions let alone answering the charge. Why did Hughes refuse to answer Catts? Sissons suggests that it may have been to shield Fisher. If so, Hughes kept this up, for some forty years later he still contended that there had not been an agreement by the Fisher Government.[2] There is a simple solution to the problem. There was no case to answer for there was no agreement as far as Hughes was concerned. He could insist quite accurately that he had not been consulted over the final disposition of these Islands whether it be 1916 in London or 1917 by cables. Informed, yes; consent, acquiescence, yes, but consultation no. It was a constant refrain. For Hughes consultation was before the fact, implied options for both sides. Britain could never consult Australia on the matter as far as Hughes was concerned once the Japanese had occupied the Islands. Consultation afterwards was meaningless unless it was on the question of excluding the Japanese from islands occupied temporarily and without prejudice to final arrangements when the terms of peace came to be discussed. As we have seen, Hughes opposed a conference on the matter knowing full well that 'we may hurt the feelings of one or more of our present allies'. At such a conference Australia could not be silent:

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[1] C.P.D. vol. LXXIX, p.11249ff., 17 September, 1919; Catts apparently was one of the very few politicians who bothered to cull information from overseas sources that related to Australia's external relations during the War. The official cloak of secrecy was effective. Even a statement on China's 'Twenty-One Demands' was censored; see Sissons, 'Attitudes to Japan and Defence', chapter 3.

[2] Hughes to N.J. Gleeson, personal letter, 28 April, 1950, cited in Sissons, Ibid., p. 103; see also Hughes to Fifield, 13 March, 1915, cited in Fifield, Woodrow Wilson and the Far East, pp.60-61 where Hughes does not even allude to the 1915 discussions in an explanation of these matters.

> If they were would it not be accepted as a sort of direction to the Imperial Government to act with a free hand and allow Her Ally a wider influence in the Pacific than would be acceptable to or tolerated by Australia?

Thus Hughes judged that the time was not propitious even to discuss these great issues. He was prepared to wait and then to speak up around a table of consultation:

> I think it would be good to suggest...that the representatives of the Overseas Dominions should be in London (or Paris, whenever it is) when Peace is being discussed. We ought to have a chance to argue questions, not merely to say Yes! or No! [1]

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[1] Hughes to Garran, 27 February, 1915; Garran Papers, N.L.A., MS 2001/13/1-2.

III THE GERMAN ECONOMIC THREAT AND THE ANGLO-JAPANESE TREATY OF COMMERCE AND NAVIGATION, 1911.

Hughes as Attorney-General, more than anyone in Australia, was alive to the perils posed by overseas firms to Australian interests whether it be the Japanese in the Pacific or the powerful German groups in Australia. He informed the Parliament that coal sold to the Germans ended up in the 'Emden', the 'Gneisenau' and 'Scharnhorst' which sent British and Australian sailors to their death, 'murdered by the men in Australia who sold it. So far we have not been able to get them'.[1]

Hughes's memorandum on the subject of German control of the basic metals industry in Australia was incorporated in a despatch to the Colonial Secretary in December 1914. His aim was to free the lead, zinc, copper, and tin industries from the control of the German firms that had developed a monopoly over them in the years before the War. The evidence Hughes catalogued clearly enunciated the fact that by one means or another specific firms controlled the output, distribution, and price of the world's lead, zinc, and copper. Acting through agencies, companies or firms registered in different countries they assumed the guise of British, American, or Australian nationality but this was only a convenient cloak to hide their real German character. As matters stood, supplies had reached the Germans and after the War, win or lose, the German monopoly would remain.[1]

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[1] C.P.D., vol. LXXVIII, p.6874, 9 September, 1915. Hughes reported in October, 1915 that the metal industry had been freed completely from the grip of Germany; Munro Ferguson to Colonial Secretary, 26 October, 1915; Novar Papers, N.L.A., MS 696/10025.

In March 1915 Munro Ferguson reported that Australian and British metal companies had been able to point out that Mertons was still recognised by the Admiralty and War Office. Thus it was considered a bona fide British firm. Hughes's own evidence, compiled partly from a memorandum by Sir Robert Garran, the Solicitor-General, identified Mertons of London for all practical purposes as 'Metallgesellschaft and Mertons of Frankfort, Aaron Hersch and Beer Sondheimer.'[2]

Hughes reported to the Governor-General that the legislation that proved effective was The Enemy Contracts Amendment Act passed in May 1915 which legalized the cancellation of enemy contracts. He had been bombarded with applications for cancellation of contracts as a result.[3]

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[1] M.L. Shepherd, Secretary, Prime Minister's Department to Governor-General for transmission to Colonial Secretary, 10 December 1914; C.A.O., CP 317/6 item 29. Sir George Reid, the High Commissioner at London certainly backed this up with his article, the same day, in the S.M.H., 'Reciprocity Urged to Capture German Trade'.

[2] Governor-General to Secretary of State for Colonies, 30 March, 1915; C.A.O., CP 317/6 item 39; Garran, memorandum, 'Mertons' n.d., Garran Papers, N.L.A., MS 2001/9/819.

[3] Hughes to Munro Ferguson, personal, 16 July, 1915; Novar Papers, N.L.A.

However, by the time he took up office as Prime Minister the Governor-General could claim that the Australian people were puzzled by the 'slack' attitude of the British Government to the issue.[1] However, Hughes was to pursue the issue with great vigour in Britain in 1916 and again in 1918, with some success.

We have already alluded to the Anglo-Japanese Treaty of Commerce and Navigation of 1911 to which Australia had declined to adhere. This Treaty provided that the signatories should have full liberty to enter, travel and reside in each other's territories, that the conduct of commerce and manufactures should be on equal terms and that imports and exports should receive most favoured nation treatment.[2] The Commonwealth without giving reasons, notified the Colonial Office in 1911 that it would not adhere to the Treaty.[3] To grant such rights would have reversed not only the White Australia policy but also its protectionist policy that had taken a decade to construct.

Japan insistently and persistently plied Australian Authorities right through into 1919 with requests, entreaties, and arguments for Australia's adherence. Early in 1915 Baron Kato, the Japanese Foreign Minister, requested his ambassador in London Mr. Inouye, to contact Grey with

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1. Munro Ferguson to Bonar Law, 4 August, 1915; Novar Papers, N.L.A., MS 696/733 and Davidson Papers, House of Lords Record Office.

2. Cited in Sissons, 'Attitudes to Japan', pp. 76-7.

3. Atlee Hunt, Permanent Head of the Department External Affairs, Memorandum, 24 May, 1915, 'Adherence of the Commonwealth to the Anglo-Japanese Treaty of Commerce and Navigation'; C.A.O. CRS A1108, vol. XXIII.

a view to the British Foreign Secretary exercising:

> his good offices in a manner that the Government of the Commonwealth, keeping in view the very special cordiality uniting two allied Empires at the present moment, may come to the decision of adhering...so that the development of trade between Australia and Japan may further be assured.

Inouye was instructed to impress upon Grey that since the War trade had developed steadily but the lack of a treaty hampered matters. More importantly, Japan was prepared to exclude immigration matters from the Treaty just as it had done in the cases of Canada and the United States. And as if to settle the immigration question, once and for all, he was to point out that 'the long established policy of the Japanese Government was not to send any immigrants to Australia - a policy, indeed we have consistently followed since *(sic)* several years'.[1]

Harcourt took the matter up. He sent a copy of Kato's letter and at the same time supplied the Commonwealth with a copy of the terms of adherence by the Canadian Government who had notified its acceptance earlier, subject to the specific exclusion of immigration question.[2] Needless to say it caused a flurry in the Departments concerned. Atlee Hunt, reviewing the issue crystallized the sensitive point

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1. Baron Kato to Monsieur Inouye, translation of a despatch, 15 January, 1915; C.A.O., CRS 1108, item 23.

2. Secretary of State for Colonies, confidential despatch, 19 March, 1915; cited in Piesse Papers, C.A.O. CRS 1108 item 23; it was not possible to see the whole file under the regulations prevailing in Australian Archives at present; this file was taken by Hughes to the Imperial War Cabinet meetings in 1918.

for his Minister: 'Are the people of Australia prepared to regard the people of Japan as on the same footing as Europeans in all matters except the right of free immigration?'[1] The Consul-General saw Andrew Fisher, the Prime Minister, on 10 June 1915 leaving his own memorandum on the subject with him.[2] Still unsuccessful he tried the Governor-General the next day, who informed him that the proper channel of communication for such a matter was through London. Not prepared to be fobbed off again Shimizu reminded him that Canadian adherence to the Treaty had originated at Ottawa. Munro Ferguson reported he was not moved by such tactics.[3] A week later, he saw Mahon and Atlee Hunt who was pressed for a response. Shimizu, apparently anxious, indicated that Japan might even grant further concessions but Hunt temporized pleading that War-time pressures were such that the Government intended to defer the whole issue till after the War.[4]

Once Hughes became Prime Minister in October, Shimizu deemed it appropriate to approach the new head of affairs. It appears he was diverted to Atlee Hunt once again, who informed him that matters were unchanged and that since Hughes would be away it would have to await his return but the whole question might be discussed in London. He would mention it to Hughes before he left.[1] Cabinet approved of this temporizing manoeuvre and emphasised that Hughes should consult the Imperial Government during his visit to London.[2] However Shimizu did get to see Hughes in December. Munro Ferguson reported to Bonar Law that Hughes 'found him most pertinacious and aggressive'. Shimizu left his own memorandum on the subject and at the same time, in passing, referred to the altered conditions likely to be operative after the War to the admission of Japanese to Australia and that these issues currently were being raised in London. As Munro Ferguson informed the Colonial Secretary, any relenting in the 'White Australia' policy would bring any government in Australia to grief.[3] Shimizu also hoped for a reply before Hughes left for London. Hughes did see him again on the eve of his departure. In the interval he had gained the benefit of memoranda from the Department of External Affairs and counsel from anxious Imperial Authorities. A cable from Bonar Law urged a conciliatory approach, on political grounds, with respect to this issue. There was

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[1] Atlee Hunt, Permanent Head of the Department of External Affairs, memorandum, 24 May, 1915, 'Adherence of the Commonwealth to the Anglo-Japanese Treaty of Commerce and Navigation'; C.A.O. CRS A1108, vol.XXIII.

[2] Andrew Fisher, minute, 10 June, 1915, memorandum by Consul General, 'Brief Statement of Reasons for desiring Australia to Join Treaty of Commerce and Navigation between Great Britain and Japan'; Fisher Papers, N.L.A., MS 2919/6/89. 100-101.

[3] Munro Ferguson to Secretary of State for Colonies, secret, 11 June, 1915; Novar Papers, N.L.A., C.P. 532/78.

[4] Atlee Hunt to H. Mahon, Minister for External Affairs, 17 June, 1915, minute attached with reply by Mahon, same date; Atlee Hunt Papers, N.L.A., MS 52/1515.

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1. Atlee Hunt to Shimizu, 18 November, 1915; External Affairs Department, C.A.O., CRS A981 Japan 101.

2. Atlee Hunt, Memorandum, 13 January, 1916; C.A.O., CRS A1109, vol.XXIII.

3. Munro Ferguson to Bonar Law, 22 December, 1915; Novar Papers, N.L.A., MS 696/787.

no need. Contrary to the impression given by Hughes's critics he could withdraw into a shell of silence from which he could not be drawn. This was one of those occasions. Acknowledging the plea for conciliation Hughes gave a clue to his method of dealing with the Japanese question during the greater part of the War: 'I have allowed the healing balm of silence to do its work'.[1] He could be diplomatic. With relief Munro Ferguson cabled back that 'Hughes will deal civilly and evasively' with the Japanese Counsul. And to Hughes he acknowledged the good sense of such a tactful approach: 'I admire your diplomacy and should Mr. Shimizu attack me in your absence I shall endeavour to preserve "continuity of policy"'[2].

The advice tendered by the Minister for External Affairs and Cabinet's decision were at variance somewhat with the aspirations of the cabal around Colonel Burns[3] who had recommended a commercial arrangement with Japan. Cabinet as well decided that no encouragement was to be given to the Consul-General while the Prime Minister was to consult the Imperial Government. Mahon noted that Hughes took the Department's memoranda on the subject.[4] The first one outlined the blocks the Japanese had placed in the way of Australian trade in the North Pacific in general and the Marshall Islands in particular since the outbreak of hostilities. Burns Philip, the chief complainant, had compiled much of the information. It also included the correspondence on the subject between the Colonial and Foreign Offices and Japan. The Department concluded that all shades of Japanese opinion expected the permanent retention of the Islands.[1] It should be noted that the Japanese denied that they were being unfair to Australian trade in the Islands. Nevertheless Greene at Tokyo asked for fair treatment for British trade during the War.[2] It was a delicate matter. Britain had no wish to offend a valuable ally. As the Foreign Office had shrewdly noted, Colonel Burns also had proposed exclusivist trade policies south of the Equator directed against the Japanese to preserve Anglo-Saxon trade. It was not in Britain's interests to become mixed up in this wrangle and embark on a tariff war with Japan.[3]

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[1] Munro Ferguson to Bonar Law, with post-script, 11 January, 1915; Hughes to Munro Ferguson, 7 January, 1916; Davidson Papers, House of Lords Record Office and Novar Papers, N.L.A., MS 696/2431.

[2] Munro Ferguson to Hughes, 8 January, 1915; Novar Papers, MS 696/2441.

[3] Harcourt, Bonar Law, Steel-Maitland and Munro Ferguson; see above.

[4] Atlee Hunt, minute recording Cabinet decision, 13 January, 1916; C.A.O. CRS A1108 item 19. All Cabinet decisions are restricted in C.A.O. and special permission is necessary to gain access to such material.

Atlee Hunt, encouraged by the prospect of concessions which Shimizu hinted at in their last interview recommended that perhaps consideration ought to be given to accepting the Japanese offer immediately, on the grounds that by showing a willingness to adhere now, the Japanese would be more likely

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1. Memorandum, Department of External Affairs, 20 December, 1915; Fisher Papers, N.L.A., MS 2919/6/149-154.

2. Secretary of State for Colonies to Governor-General, 17 September, 1915; C.A.O., CRS A981 Marshall and Caroline Islands.2

3. Chris Wing, memorandum, 'Japanese Occupation of Pacific Islands', 22 December, 1915; F.O. 371/2689/18115.

to undertake to recognize all of our 'existing laws both as respects immigration and employment within Australia'. Further, it was unlikely that Australia would again gain these conditions if it deferred the matter on this occasion. In the long term, he concluded, the position might very well be far worse:

> There is undoubtedly a considerable feeling amongst intelligent people in Australia that when the war ends Japan will make demands for much more extensive concessions in the way of immigration of her subjects to Australia than she enjoys at present.

Hunt requested that Hughes should be 'fully acquainted with the views of his colleagues on the subject'.[1] There seems little doubt that Hughes at this time would have agreed with Hunt's 'intelligent people' at least on the question that the Japanese were likely to renew and intensify their demands in the post-war period. His conclusion though and that of the Cabinet were quite the opposite:

> I'm sure [Shimizu] thinks I'm the biggest fool, or the deafest one, in all the world. Anyhow he got nothing out of me.[2]

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[1] Atlee Hunt, 'Memorandum for the Minister' 13 January, 1916; CRS A981, item Japan 101'.

[2] Hughes to Munro Ferguson, 20 January, 1916; Novar Papers, N.L.A., MS 696/2447. In 1919 Hunt finally recommended that no arrangement should be entered into with Japan. C.A.O. CRS A1108, vol.XXIII. While Hughes was prime minister no further action was taken on the subject.

IV THE CALL TO LONDON, 1915

In October 1915 the Australian Prime Minister, Andrew Fisher, worn down and war weary, announced that he had decided to reign his position and instead fill the vacancy in the position of High Commissioner at London. Sir George Reid[1] having completed his term of office as High Commissioner, chose to stay on in Britain and was elected member of parliament for Hanover Square. By a unanimous vote the Labour Party Caucus elected Hughes to the leadership of the Party and so to the position of Prime Minister. C.H. Grattan, a most severe critic of Hughes, has accused him of virtually forcing Fisher from office, though Grattan does not offer any evidence to support his contention.[2] There does not appear to be any reason to doubt the apparent facts of the matter. Leadership in the context of the War and divisions within his own Party over the means of conducting it, produced a great strain on Fisher, never an over-robust man, and it was obvious to his closest colleagues that a change was necessary to avert a physical breakdown.[3]

Within months of becoming prime minister Hughes was in London to consult Britain's War leaders on important imperial matters relating to the Pacific and Japan. Fisher was there to greet him.[1] As one contemporary publicist put it:

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[1] Sir George Houston Reid, (1845-1918); born in Scotland; Prime Minister, 1904-1905; first Commonwealth High Commissioner, 1910-1915; D.N.B.

[2] C.H. Grattan, The South-West Pacific Since 1900: A Modern History, (Ann Arbor, 1963), p.53.

[3] J. Hume Cook, 'The Man and the Hour', typescript; J.Hume Cook Papers, National Library of Australia, MS 601, Series IX, (1); Hughes is the subject of this study that includes comments on Fisher's poor physical and nervous state during the War.

> At a time when Australia has sent to London her Prime Minister and her late Prime Minister, while a former Prime Minister is in the House of Commons, it is rather like carrying coals to Newcastle to describe for English readers the Australian feeling about Imperial partnership and policy....What Mr. Hughes says therefore, in Australia's name, and what the High Commissioner says can be depended on. No politicians have gone home amid so general a chorus of approval.[2]

From Frederiok Eggleston, who was to become one of Hughes's most inveterate critics these are indeed flattering remarks.[3] However, in retrospect, his recollections of them at this time were that:

> Fisher and Hughes must be taken as a pair. Fisher was stupid, almost inarticulate....For a Party that suspected all leadership like the Labour Party, he was ideal, and it was a perfect arrangement to have a brilliant lieutenant like Hughes whose scintillations could be smothered by his unimaginative chief. Hughes was prolific in ideas up to 1915, but like other great men who go through the ordeal of a great international Conference, he was completely run dry by his experience in Paris in 1919 and has never contributed anything since except flashes of wit.[4]

That both Fisher and Hughes were in Britain together were quite fortuitous. Early in 1915 the Secretary of the

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1. The Argus, March 9, p.6; 'The Brains of the Labour Party', Argus March 9, p.7.

2. Frederick Eggleston, 'Australia and the Imperial Partnership', The National Review, vol.XV, (March-August), p.464.

3. Frederick William Eggleston, (1875-1954); born in Melbourne; lieutenant, A.I.F. 1916-1919; member of Australian delegation on the B.E.D. at Paris, 1919; Australian Institute of International Affairs and Institute of Pacific Relations; first Envoy to China 1941-44; Minister to U.S.A. 1945-9; member of Australian Delegation, U.N.O., 1945; 1946-9 advisor to Department of External Affairs; 'A Guide to Papers of Sir Frederick Eggleston', N.L.A., 1972.

4. F.W. Eggleston, Reflections of an Australian Liberal, (Melbourne, 1953), pp.11-12.

State for the Colonies, Lewis Harcourt, had hoped that Fisher would come 'Home' to Britain to discuss with the Prime Minister urgent matters that had arisen concerning Japan and the Pacific.[1] It was hoped that this private arrangement would satisfy Fisher who was most upset not only over the postponement of the 1915 Imperial conference till after the War, but also that there was no alternative plan for consultation. Harcourt plainly had been embarrassed by assertions in The Times that the Dominions had been badly let down over consultation; so much so, that he prepared a statement for the Commons:

> It is the intention of His Majesty's Government to consult him [Fisher] most fully and if at all possible personally when the time comes to discuss possible terms of peace.[2]

When The Times[3], some months later, continued its attack on this policy of non-consultation by the Liberal-Conservative Coalition the new parliamentary Under-Secretary for the Colonies, Sir Arthur Steel-Maitland, remonstrated with the editor Geoffrey Robinson[4] who steadfastly supported his staff. While Steel-Maitland fumed that a great 'mischief from the imperial point of view' had been the result, Robinson resolutely maintained that Fisher had publicly voiced his disappointment and frustration. The upshot of the whole affair was that the Colonial Office issued its invitation to Fisher and The Times agreed not to publish anymore on the subject.[1] Further, the Colonial Office took up the Australian suggestion of a cabinet colleague accompanying Fisher; it considered Hughes would be the best colleague to accompany him pointing out that the real purpose of the visit, 'foreign policy including the Pacific Question' should be kept secret.[2] Colonial Office memoranda at this time expressed a concern that the Australians should be brought over to appreciate the 'general as well as their own local considerations' and therefore it would be easier for them to accept 'unpalatable decisions after full discussion' which was from the Colonial Office point of view 'an insurance against unpleasant possibilities as well as insurance for itself'.[3]

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[1] Secretary of State for Colonies to Governor-General, 15 April, 1916; C.O. 418/985.

[2] Great Britain, Parliament, Parliamentary Debates, (Commons) 5th series, 14 April, 1915, 17408, cited in a memorandum, H. Lambert, 23 July, 1915, Ibid.

[3] 'Perplexed Dominions', The Times, 14 September, 1915.

[4] Geoffrey Robinson assumed the name Dawson.

Despite the contretemps there was no doubting Fisher's dedication to the Imperial cause. At his farewell banquet he pointed out that 'no-one would have thought that Australia would have risen to the occasion as she had'. Indeed 'it was as great a surprise to the "Mother Country" as to themselves'.[4] This did not prevent him from returning to the old theme when he arrived in London when quizzed on the matter:

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[1] Arthur Steel-Maitland to Geoffrey Robinson, 14 September, 1915; The Times, C.O. 537/986; Robinson to Steele-Maitland, 15 September, 1915, Ibid.

[2] Governor-General to Colonial Secretary, 21 July, 1915; C.O. 539/985; Under-Secretary for Colonies to Bonar Law, Colonial Secretary, 26 July, 1915, Ibid.

[3] Memorandum, H. Lambert, principal clerk, 23 July, 1915; Ibid.

[4] Argus, 22 December, 1915, p.9.

> If I had stayed in Scotland I should have been able to speak to my member on questions of Imperial policy, and to vote for or against him on that ground. I went to Australia. I have been Prime Minister. But all the time I've had no say whatever about Imperial policy - no say whatever. Now that cannot go on - there must be some change.[1]

Within a couple of weeks of his election to office Hughes announced his acceptance of the invitation of the British Government to 'exchange views'.[2] However privately he had decided on this course within days of his appointment.[3] In the circumstances described one may question the logic of having both leaders in London. Fisher, who had an intimate knowledge of the matters likely to be discussed, could have handled the consultations with the British authorities. L.F. Fitzhardinge certainly questions the wisdom of Hughes embarking on this visit at this time.[4] In retrospect one may agree with these strictures but given Hughes's impulsive nature and utter involvement in the war effort, it was inevitable that he would accept the call to London.

As both New Zealand and Canada bordered the Pacific Hughes wisely decided to consult Mr. Massey, the New Zealand

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1. The Times, London, 31 January, 1915.

2. Governor-General to Colonial Secretary, 11 November, 1915; C.O. 532/78.

3. Governor-General to Colonial Secretary, 3 November, 1915; C.O. 418/134.

4. L.F. Fitzhardinge, William Morris Hughes, A Biography, The Little Digger, vol.II, typescript, chapter I.

Prime Minister, and Sir Robert Borden, the Canadian Prime Minister on his way over to London. He had hoped they all could have met to discuss common problems but the pressure of the War on the domestic scene prevented this.[1] Munro Ferguson informed Andrew Bonar Law[2] that Hughes intended to discuss 'the Pacific Settlement (including the New Hebrides Condominiom)'; and the choice between Australian control over Island Dependencies and imperial control. He concluded his private report touching on a subject that was to occupy a significant part of Hughes's attention in Britain and on the Continent:

> I propose giving him letters to Mr. Asquith and Sir E. Grey urging them to pay him some attention. If it be not expedient to crush Germany's commerce like her army it would be folly to acquiesce in the immediate re-establishment throughout the world of the suffocating tentacles of that octopus. Few men can place the case for precaution more effectively than Hughes.[3]

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[1] Munro Ferguson to Prime Minister, private, 25 November, 1915, William Morris Hughes Papers, N.L.A., MS 1538; W.M. Hughes to Governor-General, private, 22 November, 1915, Ibid.

[2] Andrew Bonar Law (1851-1923); born in New Brunswick but brought up in Glasgow; Unionist MP; Colonial Secretary, 1915-16; Chancellor of Exchequer 1916-18; Prime Minister, 1922-23.

[3] Munro Ferguson to Bonar Law, 8 November, 1915, Novar Papers, N.L.A., MS 696/766.

> Hughes:...It is vital that we shall have some opportunity of moulding the foreign policy of this country *(Great Britain)* before it is made....[1]

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[1] Hughes, Imperial War Cabinet, 13 August, 1918, CAB 23/43.

CHAPTER TWO: LONDON, PARIS, AND NEW YORK, 1916-1918.

I THE RALLYING CRY: HUGHES'S CALL TO ARMS.

Hughes's visit to Great Britain and the Continent established his rank as an Imperial statesman, war leader, and international figure. Paris in 1919 would simply confirm him as the first Australian to enjoy a truly international reputation. The British lionized him, the French applauded his *élan*, the Canadians honoured him, while the Germans expressed their detestation for his jingoism. Only Woodrow Wilson seems to have by-passed him. Through his speeches, attendance at British Cabinet meetings, consultations with all shades of Britain's war-time leadership, participation as a British delegate at the Paris Economic Conference, Hughes reached the pinnacle of his career; he had become an international celebrity overnight.[1] Australians, doubtless astonished, in the main were exhilarated by his achievements in their name: 'He is scintillating very beautifully'.[2] The laconic Bonar Law, as Colonial Secretary and technically responsible for Hughes on this London visit, commented at the end of this exhausting and monumental tour: 'I have never met a man who was such a bundle of nerves and energy'.[3]

The public acclaim that accompanied Hughes during his barn-storming tour of Great Britain was based on the series of addresses he delivered throughout the land between March and June 1916. The conservative Pall Mall Gazette at the end summed up the feelings of a grateful nation:

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[1] See M.L. Shepherd, (Secretary of the Prime Minister's Department), 'Memoirs', C.A.O., CRS A1632. Shepherd accompanied Hughes. This file contains a fairly comprehensive list of Hughes's activities; see the index to *The Times* and *Argus* for a full list of public engagements, January-June, 1916. For the authoritative account see L.F. Fitzhardinge, *The Little Digger.*

[2] Sir Lyttleton Groom to Sir Joseph Cook, 18 March, 1916; Groom Papers, N.L.A. MS 236/1/15.

[3] Bonar Law to Munro Ferguson, private and personal, 17 August, 1916; Novar Papers, N.L.A., MS 696/1379.

> Mr. Hughes is one of the Empire's strong men in her hour of need. Wales has contributed two great men to the Imperial cause, and one of them is William Morris Hughes.[1]

Lloyd George, that 'other' Welshman, gave a clue to the exhilarating effect of Hughes's dynamic speeches to a dispirited people.[2] At a banquet in honour of Hughes, the hall packed with Welshmen, Lloyd George pointed out that Hughes realized that the very life of democratic government depended on this struggle. He 'scorned half-measures'. He knew that 'you could not attain great ends by halting means';[3] Bonar Law, one of the leading Conservatives in the Coalition expressed much the same sentiments to Munro Ferguson. Hughes had gained a 'prominent position and great reputation', he believed, partly because of his own personality but also because 'there is a good deal of discontent with the Government' and his own 'outspoken' views had been used by certain elements of the press as a 'stick to beat the Government with....'[4]

When Hughes arrived in Britain early in March 1916 there was an apparent widespread despondancy at all levels over

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1. 9 June, 1916; cited in Thorold Waters, Much Beside Music, (Melbourne, 1951), p.10.

2. These speeches were published in a book. "The Day" - and After: War Speeches...(London, 1916), arranged by Keith Murdoch and with an introduction by Lloyd George. References to the speeches are from this edition.

3. Lloyd George, cited in Western Mail's report of a banquet at the Trocadero Restaurant, 19 May, 1916; George Papers, House of Lords Record Office, F/27/2/25.

4. Bonar Law to Munro Ferguson, 3 June, 1916; Novar Papers, N.L.A., MS 696/1376-7.

war losses and failures without any prospect of relief. If anything, while Hughes was in Britain the situation deteriorated. This then was the background to his visit and ought to be appreciated in a critique of his speeches and subsequent actions.

There had been in recent months[1] the drama of the withdrawal from Gallipoli and the entry of the Bulgarians on the side of the Central Powers. There was little doubt that both events were connected. And consequent upon this the plucky Serbs were overrun without the promised support. Grey, speaking on behalf of the military had guaranteed support in an important address in the Commons. In retrospect he felt that his diplomacy had been the victim of military failure.[2] All of this confirmed the view in the public's mind and in Lloyd George in particular that the Central Powers were in an overwhelming position in the Balkan theatre. The setback at Loos in September 1915 and the stalemate on the Western Front were all part of the picture of unrelieved gloom in the military situation. The inconclusive naval engagement at Jutland in the first days of June rounded out the depressing spectacle that confronted Hughes. And all this was on the eve of the bloody failures of the Somme, and the gradual petering out of the Salonika expedition which expedition 'Easterners', like Lloyd George, had advocated as a means of achieving a success somewhere, somehow.[1]

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[1] The following summary of the military background in the first half of 1916 is from C.R.M.F. Crutwell, A History of the Great War, (London, 1936), and P. Guinn, British Strategy and Policies 1914-18, (Oxford, 1965). For the Balkans, see C.J. Lowe, 'The Failure of British Policy in the Balkans, 1914-16', Canadian Journal of History, 1969 and K. Robbins, Sir Edward Grey, (London, 1972); both are sympathetic treatments.

[2] Grey, Twenty-Five Years, vol.II.

For Grey, Kitchener, and Asquith, especially, these military disasters and naval setbacks were severe blows and damaging to the Liberals. Moreover, they were considered in the context of what seemed to be diplomatic blunders in the Balkans which accounted for or at least accompanied the military reverses. The failure to prevent either Turkey or Bulgaria from entering the War on the wrong side was laid at the door of the Foreign Office and Grey in particular.[2] As partial as these criticisms were, to the run of the mill politician and to public opinion, there was a prima facie case to answer. Lloyd George's retrospective criticism of Grey is a damning estimate of his methods as much as his capacities and policies:

> His stiff and formal beckonings to them to cross over to our side could only provoke ridicule....a more strenuous or resourceful Foreign Minister would have converted into success...[his] fumbling negotiations.[3]

Even at the time, Lloyd George delivered a masterly condemnation of the whole of the Government's War strategy and effort:

> Too late in moving here. Too late in arriving there. Too late in coming to this decision. Too late in starting with enterprises. Too late in preparing. In this War the footsteps of the Allied forces have been dogged by the mocking

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[1] Lloyd George confided to Sir Maurice Hankey, secretary of the Committee of Imperial Defence, on 9 December, 1916 that 'we are going to lose the war'; cited in Hankey, The Supreme Command, vol.II, (London, 1961), p.557.

[2] For a general assessment adverse to Grey see Zara Steiner, The Foreign Office and Foreign Policy 1898-1914, (Cambridge, 1969), and for the Balkans during the War, see Doreen Collins, Aspects of British Politics, 1904-1919, (Oxford, 1965).

[3] Lloyd George, War Memoirs of David Lloyd George, 2 vols., (London, Popular Edition, 1938); vol.I, p.59. This is the edition that will in general be used.

CANADIAN THESES
ON MICROFICHE

32073

THÈSES CANADIENNES
SUR MICROFICHE

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A CRITIQUE OF THE...

> spectre of "Too Late"; and unless we quicken our movements damnation will fall on the sacred cause for which so much gallant blood has flowed.[1]

The British political world of 1916 into which Hughes stepped and in which he played a significant role is just as illuminating of his policies as is the military scene.

In January 1916[2] Lloyd George was successful in pressing a reluctant Asquith into introducing a first instalment of compulsion for military service. It was to be applicable only to single men at this stage. Asquith was bent on preserving something of the voluntary principle and thus retain an air of liberalism.[3] Even this half-measure seemed to true-blue Liberals that Asquith had bowed down to Lord Derby's Conservatives and conscriptionists within their own party. Conscription in the end split the Liberals as no other issue during the War until the Cabinet crisis of December, 1916. Thus the first Conscription Bill was the classic Asquithian half-measure. This was just the type of measure which Lloyd George had inveighed against in his 'Too Late' speech. By March Lloyd George urged that married '"slackers"' should be called up. The subsequent row and political crisis were carried out in the open, with the press following up and commenting on the manoeuvres. The Manchester Guardian on 19 April carried the headlines: 'Acute Crisis in Cabinet - The Differences Between Mr. Asquith and Mr. Lloyd George". Next day it was reported that Asquith had referred to the imminent breakup of the Government. The Times the same day crystallized the issue. On the one hand were those who 'wait and see' and on the other those who are 'unalterably fixed on a final settlement' of the recruiting issue.[1] On 25 April The Times commented on the secret session of Parliament that day[2] so that Lloyd George could supply the fact and figures on recruiting. It was also the day of the rebellion at Dublin and a few days later came news of the surrender at Kut. All Asquith's compromises were swept away in a tide of patriotism. He withdrew his compromise proposals and the Government agreed to the immediate conscription of all fit men of military age.[3]

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[1] Parliamentary Debates, (Commons), 77121, 20 December, 1915.

[2] Ibid., vol., LXXII, 77951, 5 January, 1916.

[3] See Trevor Wilson, The Downfall of the Liberal Party, 1914-35, (London 1966), for an older account that displays a distinct animus against Lloyd George; Cameron Hazlehurst, 'Asquith as Prime Minister, 1908-16', English Historical Review, (July, 1970), is written from the other side. See also Roy Jenkins, Asquith, (London, 1964).

Here was a reversal of policy that inevitably elevated the stature of Lloyd George and undermined that of Asquith. Moreover Lloyd George had potential allies in a number of camps. Apart from his own following in the Liberal Party, his work in the Ministry of Munitions had placed him on extremely favourable terms with organized Labour. On the Conservative side his 'win-the-war' policy and conscription proposals won him support while he also established vital links with the imperialist wing through Sir Arthur Lee, 'a Unionist Lieutenant at the Munitions ministry' who was himself in contact with Lord Milner's 'Round Table' group which was dedicated to the promotion of closer imperial ties - one of Hughes's main themes on tour.[1] From the 'Round Table' group Lloyd George was soon to find his own private secretary in Philip Kerr, co-founder and first editor of the Round Table journal.[2] Lloyd George thus had wide support for a more effective prosecution of the War. Hughes, as we shall see, played a part in shaping a climate of opinion which by the end of the year resulted in the replacement of Asquith by Lloyd George as Prime Minister.

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[1] Manchester Guardian, 19, 10 April, 1916; The Times 20, 25 April, 1016.

[2] My emphasis; A.J.P. Taylor states 26 April, in English History 1914-1945, (Oxford, 1965) p.89. Taylor argues that the session was not just an informative meeting as The Times suggests but to conceal the party rifts from the public.

[3] The Times, 29 April, 1916. The Times backed conscription to the hilt. Its owner, Baron Northcliffe, decided its policy. Alfred Harmsworth, (1865-1922); Baron Northcliffe, 1905; Viscount, 1917; United States mission, 1917; director of enemy propaganda, 1918; opened new epoch in journalism; acquired Evening News and founded Daily Mail, chief proprietor of The Times; after the armistice in 1918 became estranged from Lloyd George and bitterly attacked him; D.N.B.

Here then was a nation in turmoil, or a beleaguered city-state, for such a description helps to explain the overwhelming reception Hughes was accorded when he came to the shores of the United Kingdom. To the shut-in citizens, blockaded by the unrestricted submarine campaign he was a fresh, revitalising agent who captured the imagination of audiences all over the nation and of those British leaders who wanted a resolute leadership and prosecution of the War-hence Hughes's appeal. As Sir Keith Hancock points out

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[1] P.A. Lockwood, 'Milner's Entry into the War Cabinet, December 1916', Historical Journal, VII, no.1, (1964), pp.127-9. See also K.O. Morgan, The Age of Lloyd George, (London, 1971), pp.58-76, for an account that severely revises Trevor Wilson, Downfall of the Liberal Party, and Peter Lowe, 'The Rise to the Premiership, 1914-16', in A.J.P. Taylor (ed.), Lloyd George: Twelve Essays, (London, 1971); both Morgan and Lowe are based heavily on primary source material, with Morgan publishing extracts from documents.

[2] See J.R.M. Butler, Lord Lothian: Philip Kerr 1882-1940, (New York, 1960), especially, Chapter III, 'The Round Table', pp.35-37 for an account of the work of Kerr, L.S. Amery and Lionel Curtis[3] in the group, and for their connection with Lord Milner's 'Ginger-Group' which included such leading lights as Sir Edward Carson and Geoffrey Dawson, editor of The Times. The Group met regularly to promote a more effective prosecution of the War. Hughes had contact with this group. Lionel Curtis visited him in Australia in 1916, in his work for the 'Round Table'. See below, Chapter Two, (V).

[3] Lionel George Curtis, (1872-1955); secretary to Milner, 1900; Assistant Colonial Secretary, Transvall, 1903-09; editor, Round Table 1909; Professor, Oxford 1912; visited Dominions 1916 for the 'Round Table'.

'without some imaginative support to the understanding we can hardly recall the wild clamour' which accounts for the surge of emotion against Germany and anything of German origin.[1]

An analysis of Hughes's themes in his speeches demonstrates the simplicity of his messages. Repeated again and again to varied audiences all over the country, reported almost exhaustively in the national press,[2] delivered with great emotional power and with the evangelical fervour of a 'Welsh tribesman', there is little wonder that there was the atmosphere of a revivalist meeting about these gatherings.

Hughes's unofficial press agent, Keith Murdoch was wonderfully successful in 1916 in promoting the image of Australia's war effort and Hughes's in particular. There was a strong liaison with Northcliffe and his newspaper chain and Hughes developed an almost filial regard for Murdoch as the correspondence during the war years reveals. Murdoch's delight with the generous space that Northcliffe arranged for Australian news in his press chain is evident from the warm letter he penned to 'My dear W.M.H.' weeks before Hughes departed:

> Northcliffe now agrees to one column daily of Australian news in the Daily Mail and good space in the Times.[3]

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1. See Sir Keith Hancock, Survey of British Affairs, vol.II, Pt.1 Problems of Economic Policy, (London, 1937) pp.95-6.

2. Keith Murdoch, (1885-1952); 1908-09 studied at London School of Economics; from 1915, London editor of Sydney Sun and manager of United Cable Service; during the War, correspondent for Sydney Sun, Melbourne Herald; with Australian troops in various theatres of the War; established a reputation as an intriguer at high levels over his large part in the recall of Sir Ian Hamilton from Gallipoli; see E. Ashmead - Barnett, The Uncensored Dardanelles, (London, 1928) pp.239-240.

3. Murdoch to Hughes, 5 June, 1916; M.L. Shepherd Papers, (Hughes's private secretary) '"Memoirs": 1873-1936', C.A.O., CRS A1632.

Hughes's themes are reminiscent of the ones he employed in the first decade of the Commonwealth when he played so prominent a part in establishing the nation's defence forces. In his first major address he touched on most of the themes that occupied his attention on the public platform. Speaking at the Empire Parliamentary Association in the Commons[1] he deplored the illusionary world of the pre-War pacifists who had argued that the 'arms race' was a figment of the imagination when in fact in the real world there had been 'the ceaseless clanging of armament factories' that had deliberately prepared for 'Armageddon'. Thus for the 'bad' German brought up on Treitschke and Bernhardi the War was inevitable. Germany's great men of business, mercantile interests and industry had prepared well. Even in Australia they had captured the lion's share of the heavy industries trade ousting Britain from her position of pre-eminence and this was due to 'the veneration in Britain for almost a century' of the tradition of allowing trade to follow along its natural channels. These were the basic economic doctrines of Liberals and Asquithians that Hughes blamed in part for this situation. It is useful to observe at this point that Hughes also would run counter to Lloyd George's views on how to encourage imperial trade at this time.[2] German interests, Hughes went on, had monopolised the basic metals industry under the guise of British names and firms.[3]

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[1] Hughes, "The Day" - and After, pp.1-13; reported in The Times, 10 March, 1916.

[2] Sir Robert Garran, Prosper the Commonwealth, (Sydney, 1958), p.227.

[3] Hughes's thesis here admirably suits Fritz Fischer's revisionist Germany's War Aims in the First World War, (London, 1967). Compare with Gerhard Ritter, The Sword and the Sceptre: the problem of German militarism, four volumes, (London, 1969-1973), vol.II, The European Powers and the Wilhelmian Empire, passim.

Even now Englishmen and Australians were being slain with ammunition made from Australian ores. To complete the irony of the situation, he further claimed that the British Government was compelled to buy through German agencies at three times the old price. In these circumstances it was inconceivable that this should continue for a moment and it was just as important to ensure now that in the post-war period Germany would not regain its former position of economic power that had enabled it to be a menace to national security. National safety and interests demanded exclusivist economic policies on the part of the Empire. Bonar Law, who presided, tossing aside his customary caution, publicly assured Hughes 'there will be no secrets while he is here. When the war is over things cannot remain as before'.[1] This was a cryptic reference to the very matters that had brought Hughes to Britain.

At the Pilgrims' Club a week later,[2] addressing an audience that included Americans, he did not lose the opportunity, however small, of referring to Australia's desire in the past for stronger links with them. It was to draw him to the United States some two years hence in his bid to oust the Japanese somehow out of the Islands. As it was St. Patrick's day, on the eve of the Easter Rebellion, Hughes publicly extolled the virtues of the gallant and loyal Irish. Victory was assured, he informed the Pilgrims,

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1. The Times, (London), 10 March 1916.

2. Hughes, "The Day" - and After, pp.24-31; reported in The Times, 18 ~~March,~~ 1916, along with Balfour's remarks from the chair.

because their cause was right. The gulf between Britain's ideals and those of Germany was as wide as the 'gulf between heaven and hell'. Providence thus was on the side of the British. This element in Hughes's speeches was not over done; it was simply a characteristic biblical Welsh style that he shared with men such as Lloyd George. A moralistic vein was a useful one to tap in a nation that still believed and had a faith. Lloyd George himself was the voice of the protestant churches and more particularly of the non-conformist conscience. In a society that was nurtured in the belief of the righteousness of its causes it was obviously helpful for those ideals to be invoked on the public platform. There would be little hope of raising armies, conscripted or otherwise, in such a society without the justness of the cause being firmly established.

Balfour chaired Hughes's meeting at the City Carlton Club late in March. Balfour's remarks centred on the evolution of the British Empire which now faced problems that would 'tax the highest statesmanship here and in the overseas Dominions'. The problem was to bring the distant parts into a yet closer 'intimacy, organically, as well as patriotically', but at the same time in such a way that:

> the separate parts would never feel that they were hampered by belonging to the whole but would fully realize that it was only by belonging to the whole that they would make the best of themselves.

As much as Hughes would have been prepared to philosophize on the unique nature of the British Empire, on this occasion, he struck the theme of the necessity of a decisive victory. Peace without victory would be impermanent and chimerical, and simply lead to yet another and more fearful conflict. To attain a permanent victory, economic war now, and later, was absolutely necessary. 'The extirpation, root, branch, and seed of German control and influence' in British commerce and industry would be no easy task for its roots were 'embedded deeply in the very vitals' of the economy. But economic war now, prosecuted to the limit, with the prospect of it being carried on after the War, would mean that:

> the bubble of their *(Germany's)* hopes will burst and confusion and dismay will spread through the land, dissensions honeycomb their political structure and the spectre of revolution rear its sinister head.

There was a measure of prescience in these latter remarks for Germany in 1918 and 1919 went through these very stages that Hughes had outlined.

On the first anniversary of Anzac Day Hughes spoke to the troops at the Hotel Cecil[1] and reinforced the imperial theme. It was an imperial war. The Dominions had participated in the Empire's struggle for survival. At Glasgow at the end of the month he emphasised the duty of protecting imperial trade, commerce and industry. The Empire should make it clear that it would take those 'sensible and prudent' actions in economic and national affairs that 'men take in their own affairs'. The world of litigation with which he was familiar provided a ready fund of analogies. In fact this was just the analogy he would use to defend his thesis at the Peace Conference for proposing a crushing indemnity.

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[1] Hughes, "The Day" - and After, pp.68-72; reported in The Times, 26 April, 1916.

There was a mixed reaction to these addresses. His eminent colleague and comrade Sir Robert Garran recalled that 'at the very zenith of his oratorical power he had brought a new thrill to Britain'.[1] Hughes himself, at the time reported to Munro Ferguon that there was:

> certainly a rapidly increasing body of public opinion in favour of the adoption of a policy which will enable Britain to be organized in such a way as to ensure her national freedom as well as her commercial and industrial prospects. I have done my best to help in this work.[2]

The Empire Review thanked a benign Providence for the advent of Mr. Hughes:

> a plain, clear-headed patriot from the Dominions where men knew how to get things done, a real statesman quite unlike the hesitating university-bred persons who still cumbered British politics waiting and seeing, not yet understanding that henceforward we must be a self-contained Empire not only in name but in being.[3]

A number of Britain's leading figures were so impressed by Hughes that they felt it essential that he stay on. Lord Fisher, till recently the First Sea Lord, but as profuse and extravagant as ever in his correspondence, wanted him to stay on as 'War Director' if not as Prime Minister.[4] L.S. Amery wanted Lloyd George to use Hughes as a detached outsider to conciliate the Irish dissidents with the specific purpose of extending compulsory service to Ireland.[1] Winston Churchill, still out of favour, publicly stated after Hughes had left that it was a mistake to let him go. Political complexions, he averred were irrelevant in the face of the titanic struggle. His 'vehement tariffs, full-blooded imperialism', and his 'Toryism' were not the issues but his 'fire' and 'comprehension, a man head and shoulders above his fellows whose every waking thought was absolutely dedicated to winning the war' - these were the qualities that counted.[2]

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[1] Garran, Prosper the Commonwealth, p.227.

[2] Hughes, Hotel Cecil, to Munro Ferguson, 12 May, 1916; Novar Papers, N.L.A., MS 696/2480.

[3] Empire Review, vol.XXXII pp.253-61. Cited in Hancock, Problems of Economic Policy, pp.95-6.

[4] Lord Fisher to Hughes, 12 June, 1916; Hughes Papers, N.L.A., MS 1538/117.

Critics saw him as the pawn of the Northcliffe press and as a 'Tory hero'. Sir Joseph Cook the Australian Liberal Opposition Leader, while he applauded his efforts as an Australian, considered that Northcliffe had 'hold' of him and appeared to be 'running him very earnestly'. Cook labelled the Northcliffe press as conscriptionist and suggested to Parliament that it was clear where Hughes and he stood on the matter.[3] Munro Ferguson acknowledged that The Times and other leading newspapers were using Hughes's visit as 'a stick to beat the Government with' repeating Bonar Law's own assertion.[4] Later Hughes revealed the extravagant offers of Northcliffe and the suggestions of

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1. L.S. Amery to Lloyd George, 7 May, 1916; Lloyd George Papers, House of Lords Record Office, D/14/1. L.S. Amery, (1873-1955); Intelligence Officer in the Balkans, 1915-1916; Assistant-Secretary, War Cabinet Secretariat, 1917-8; Parliamentary Under-Secretary, Colonial Office, 1919-21; First Lord of Admiralty, 1922-4; Conservative MP, 1911-45.

2. Extract Daily Telegraph, (London) n.d., but early 1917; newspaper cuttings, Hughes Papers, N.L.A., MS 1538.

3. Cook to Littleton Groom, 18 March 1916; Groom Papers N.L.A., MS 236/1/15; Cook, C.P.D., LXXVIX, p.7773, 10 May, 1916.

4. Munro Ferguson to Bonar Law, 27 March 1916; Novar Papers, N.L.A., 696/813.

Cabinet Ministers that he stay on at Cabinet rank in a reconstructed War Committee.[1] There appears to be no reason to doubt the general tenor of these recollections in view of the chorus of press statements to this effect.[2] Quite specifically Lord Riddell noted in his War Diary at the time that Hughes himself was anxious to join the War Committee. Lord Milner actually had approached Lloyd George with a view to the Dominion prime ministers becoming part of the War Committee. Although Lloyd George favoured the proposal he expected that Dominion leaders would need to stay on in England for an extended period for them to be of lasting value to the war effort.[3] For Hughes as a prime minister this was out of the question in 1916.

Hughes also recalled that he was aware at the time that he was being 'lionized'. One need hardly doubt this assertion. But Hughes was no man's catspaw. He was a willing captive in a programme and policy that reflected his own approach and views and which brought international recognition overnight. It is all very well for those with fastidious tastes to turn up their noses at such goings on but the need was there and the barn-storming had to be done and Hughes did not recoil from it as Smuts did; rather, it suited his temperament. When Smuts was in London for the

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[1] Hughes, cited in J. Hume Cook, The Man and the Hour, p.29ff., and 164ff.

[2] For example, The Herald, (Melbourne), May and June 1916 carried a number of articles discussing Hughes's place in a reconstructed British Ministry; 3, 5 May and 1 June, 1916.

[3] Lord Riddell's War Diary 1914-18, (London, 1933), pp.165-6.

1917 Imperial War Conference he confided to his wife in their native Boer tongue that he had been asked to campaign but had declined:

> Ik wil niet de zelfde flater als Australia's Hughes hier maken.[1]

German reaction was predictable and perceptive. Hughes flourished, stated the *Vossische Zeitung* in the 'somewhat uncommon role of commercial traveller' for reactionary economic policies while the *Frankfurter Zeitung* baited him as 'the chief darling of the jingoes' and labelled his speeches as 'national rowdyism'. It cited the *Nation* against him, taking up their description of his speeches and views as having the 'journalistic stamp of shallow and fluent phrasemaking'.[2] To balance this the French press recognised a kindred spirit with the *élan* that was the hallmark of the:

> orateur de grand talent et de tempérament combatif.... En homme d'action..."L'heure", a-t-il-dit, "n'est pas plus aux paroles, mais aux actes".

The Australian press carried much the same range of opinion as the British and Continential. The liberal protectionist *Age*, appraising his performance did not see any thing remarkable in it nor was there anything new in his speeches whose 'sum and substance' was nothing more than economic warfare against the 'German cancer'. His merit, it would seem, was that he arrived in England at the psychological moment:

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[1] 'I do not want to make the same blunder here as Australia's Hughes'. Smuts to 'Mamma', 31 March, 1917; Sir Keith Hancock and Jean van der Poel, *Selections from Smuts Papers*, (Cambridge, 1966), p.471. W.A.S. Hewins, *The Apologia of an Imperialist: Forty Years of Empire Policy*, vol. II, (London, 1929), noted on 29 September, 1916 that 'there is some idea of getting Borden over but he is rather shy after the Hughes Campaign'.

[2] *Vossische Zeitung*, 15 June, 1916; *Frankfurter Zeitung*, 22 June, 1916; extracts from the German and Australian Press, Crewe Papers, Cambridge University Library, MS M/6/5 in Fitzhardinge, Hughes Annexe, N.L.A. This latter collection has been kindly donated by Mr. Fitzhardinge. It consists of primary source material from a number of archives, manuscript collections and libraries, all invaluable for a study on Hughes.

> If we search for the reason of these evanescent idolatories we shall find none stronger than the supreme need of the good natured British public for a lion.....Winston Churchill was under eclipse and Lloyd George's more turgid oratory was at a temporary discount. Lord Kitchener's star had paled and Mr. Asquith had refused to coruscate. The advent of the Australian Prime Minister was a god send.[1]

Offsetting this somewhat, the Argus, not wishing to be too uncharitable on the occasion of an overseas triumph had to resort to rephrasing a Nazarene epithet to account for his 'wizardry':

> he has been a prophet of smaller honour in his adopted country than he is where familiarity has not had its inescapable effect.

Looking ahead, the newspaper predicted a problem. The people of Great Britain, its statesmen, the Tories and duchesses, all want to keep him: 'What will Labour do with him?'[2] Lloyd George ought to have the last say on all of this: 'Hughes is [one of the men] whose courage, insight, and inspiration the British Empire depends on, in its great hour of trial'.[3]

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1. The Age, Melbourne, 15 April, 1922; C.O. 418/144.

2. The Argus, 22 April, 1916; C.O. 418/144.

3. Lloyd George, Introduction, "The Day" - and After.

II THE IMPERIAL WAR CABINET: GREY, HUGHES, AND CONVERSATIONS WITH THE JAPANESE AMBASSADOR.

One of the signal honours paid to Hughes was participation in the deliberations of the British Cabinet to which he was invited on specific occasions.[1] The precedent had been established by Sir Robert Borden's attendance in 1915 and subsequently in 1917 Jan Smuts established a much more significant precedent by remaining as a regular member of the British War Cabinet under Lloyd George.[2] It was evidently Asquith's intention in 1916 to retain the arrangement of 1915 whereby he would issue invitations to Dominion prime ministers in London to attend certain Cabinet meetings rather than to extend an open invitation to be present whenever it was convenient or the agenda applicable to Dominion matters. This was characteristic of his olympian manner. However, Hughes complained that in the midst of the greatest of struggles Asquith was 'at a loss to know what to do with me'. As Garran put it he was a 'welcome guest' at Cabinet; he was not there by right.[3]

The two Cabinet meetings which Hughes did attend convinced him that positive direction of the War was lacking and this threw him into the Lloyd George camp which anyway suited his convictions and temperament. In particular he was thoroughly unimpressed with what must have been the first meeting he attended. He said as much at a breakfast with Lloyd George and Lord Riddell: 'Your trouble [is] you have got too many clever men.'[1] Yet one would have thought that a coalition of all the talents in war-time would have been ideal. The Cabinet for Hughes was too large and there appeared to be 'no plan of action which is being resolutely and persistently adhered to....' Hughes would not have been the only one nor the first to suggest a small War Cabinet.

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[1] Asquith to the King, 10 March 1916; CAB37/144/22.

[2] Smuts joined the War Cabinet on 'loan' from the South African Government where he held the rank of general and was the Defence Minister; D.N.B. Margot Asquith implored him not to take this step composing a model rebutal for distribution to 'all the papers'; Margot Asquith to Smuts, 19 June, 1917, Smuts Papers, p.768. It is probably pointless to speculate on whether Hughes would have done better in postponing his 1916 visit till the 1917 I.W.C. where no doubt he also would have been invited to stay on - as a Prime Minister this would have been awkward.

[3] Garran, Prosper the Commonwealth, p.227; he appears to have cited Hughes in Splendid Adventure, p.39.

The Cabinet discussion on the Salonica garrison was a case in point. Although not directly related to Australian participation in the War Hughes entered into the discussion[2] having gained useful information on French opinion on the situation. The British proposal was to withdraw their divisions gradually from the Anglo-French forces holding the front and transfer them to the north of France in preparation for the forthcoming offensive at the Somme. Hughes informed the startled group who felt secure in the belief that the French were not only aware but approved, that the French did not approve and were most indignant. Kitchener was non-plussed. Hughes's sources were impeccable: Joffre, Castlemain and Petain.[3] Lord Bertie, the British Ambassador at Paris, present at the consultations with the French subsequent to the British Cabinet discussions confirmed Hughes's information.

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[1] Hughes, 10 March, 1916; cited in Lord Riddell's War Diary, pp.161-2. Thomas Jones, an assistant-secretary to the Cabinet and a Welshman after Lloyd George's own heart has noted that 'if Lord Northcliffe wanted to see Lloyd George, he rang Riddell'. Riddell was Lloyd George's constant adviser and press agent. See T. Jones, Lloyd George, (O.U.P. 1951), pp.62-3.

[2] Asquith to the King, 23 March, 1916; CAB37/144/69.

[3] Hughes, 23 March, 1916; CAB42/11/9 being the verbal proceedings of the meeting.

Bertie noted that:

> Asquith seeing that Kitchener and Robertson had not made out a logical case said that having regard to the objections urged by Briand and the Russian Representatives he would not persist in the proposal put forward by the British Military.[1]

At the same Cabinet meeting Hughes contributed to the discussion on the shortage of labour in British ports; essential military supplies for the Western Front lay on the waterfront. Hughes had had vast experience in handling industrial problems at the waterfront and the sort of labour required. He had risen in politics from the jungle of waterfront unionism. This was where he had gained his grounding.[2] It may well account for his forceful style in dealing with certain situations. Hughes's solution to the problem at hand was labelled by Kitchener as 'organization of the nation', or as Cook called it, 'war socialism'.[3] Cook complained that the Australian Government under the cover of war was hurrying the Commonwealth into 'complete Socialism'. It was not a question of political labels as Kitchener and Cook seemed so concerned about but a question of positive organization in the interests of the war effort. If commandeering equipment or in this instance' the orderly and systematic apportionment of manhood' was necessary, then he believed the simplest solution was to use troops to overcome the labour shortage on the waterfront.[4]

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[1] Bertie, Hotel Crillon, Paris, 27 March, 1916; Bertie Papers, F.O. 800/175.

[2] See L.F. Fitzhardinge, Hughes, vol.I, passim, and Waters, Much Besides Music, (Melbourne, 1951), p.21.

[3] Cook to Groom, 30 March, 1916; Groom Papers, N.L.A., MS 236/1/15.

[4] Hughes, 23 March, 1916; CAB42/11/9.

At much the same time, Hughes suggested to Lloyd George, on the strength of dissatisfactions that had been expressed that 'Bonar Law should be approached with a view to closer co-operation', to which Lloyd George had remarked that 'he did not quite see the object in view'.[1] These are, on the face of it, cryptic remarks. But by June Bonar Law had noted that Hughes had been used 'as a stick to beat the Government' and Lord Fisher had urged Hughes to 'make him [Lloyd George] take the Plunge'.[2] Did Hughes ever actually urge Lloyd George to take this action? Years later, in his reminiscences which like all in this genre are notoriously suspect Hughes has stated 'but for me he [Lloyd George] would never have dared to supplant him'.[3] From the extant material it would appear that all that we can safely say is that Hughes was but one of a number who urged such action at this time and that he helped to create that climate of opinion which before the end of the year saw Asquith replaced by Lloyd George.

One of the most important areas of consultation that engaged Hughes's attention was the Pacific question and its corollary, the Japanese question. Hughes, on his way over, very wisely had consulted Massey and then Borden on the issue. Massey evidently agreed with his views and thought Borden could be relied 'to back us up'.[4] Borden though must have been non-committal, for he simply noted Hughes's anxieties and aspirations in his diary. Hughes was 'anxious that we should put a fleet unit in the Pacific' as Australia 'greatly dreads Japan's future aims'.[1] Hughes was aware that in certain circumstances with the British fleet maimed after an encounter with the German high seas fleet, the Japanese navy would be the most powerful in the Pacific. He was now aware, as no other statesman was, of the views of the Pacific Dominions. Just before he left, his Defence Minister gave as his considered opinion the view that the north Pacific Islands were of no great value to Australia and in given circumstances would be a source of weakness. There was no question that the south Pacific Islands from a defence view point were considered a sine qua non. Significantly, the possible commercial value was emphasised by Pearce. Nauru, he reminded Hughes, was an established and valuable asset. It was also hoped that the long standing unsatisfactory condominium arrangement in the New Hebrides could be re-negotiated. France's presence on the one hand was considered invaluable but there was always the possibility of France selling its share to a hostile power.[2] As Munro Ferguson observed, the retention of British rights would be a useful '"point d'appui" should France and Japan combine to annoy us'.[3]

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[1] Hughes and Lloyd George, cited by Riddell, War Diary, 19 March, 1916, pp.165-6.

[2] Fisher to Hughes 12 June, 1956; Hughes Papers N.L.A. MS 1538/117/2.

[3] Hughes to J. Hume Cook, 14 February, 1930; Hume Cook Papers, N.L.A. Series iii, (7), 2C. It is interesting to note that Cameron Hazlehurst's next volume on Lloyd George, The Triumph of Lloyd George, argues that Asquith was not supplanted - he resigned; conversations with the author, A.N.U., 1973-6.

[4] Hughes to Pearce, 24 June, 1916; Pearce Papers, Australian War Memorial Library, MS 1/3.

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[1] Borden, 18 February, 1916 cited in H. Borden, (ed), Memoirs, vol.II, (New York, 1938).

[2] Pearce to Hughes, 14 January, 1916, Pearce Papers, Australian War Memorial Library, Pearce MS 1/3.

[3] Munro Ferguson to Harcourt, 19 May, 1915; Novar Papers, MS 696/692. In view of Vichy France's relations with Japan early in World War II these remarks are not so unrealistic. The Australian Navy found it necessary to force a coup de main in New Caledonia to prevent such a possibility; see H. Gill, Royal Australian Navy 1939-42, (Canberra 1957), pp.258-66. For a thorough treatment of the New Hebrides Question see R.C. Thompson, "Australian Imperialism in the New Hebrides, 1862-1922', Ph.D. thesis, A.N.U., 1973.

Significant also is Hughes's consultation with Harcourt in his first week in Britain, on the 'Pacific Question', as he noted in his cable to Pearce. There is no record of the details of that interview. Related to this matter was the curious omission, as the Colonial Office saw it, on the part of Munro Ferguson to reply to the critical 19 March 1915 despatch. After repeated requests by the Colonial Office the Governor-General replied in February 1916 but simply responded that Hughes would take up the question of the Anglo-Japanese Treaty of Commerce now that he was in Britain.[1] It would seem that now that Hughes was the Prime Minister Munro Ferguson was anxious to drop the whole question of the disposition of the Islands.[2]

The Foreign Office thought that it was a 'strange coincidence' that the latest Japanese request for Australia's adherence to the Commercial Treaty as a quid quo pro for more Japanese naval assistance should coincide with the news that Hughes would shortly be in London on just this matter.[3] There was on the face of it a concerted effort by the

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[1] Hughes to Pearce, Acting Prime Minister, 16 March, 1916; C.O. AA63/48 item J2/3/2. Henry Lambert, Colonial Office, to Foreign Office, 7 January, 1916, F.O. 371/2688/30932 and Munro Ferguson to Colonial Secretary, 12 February, 1916; Ibid.

[2] Munro Ferguson to Harcourt, 13 May, 1915; Harcourt Papers, Bodleian Library, MS Harcourt dep. 479, f.235.

[3] Beilby Alston, minute, 17 February, 1916; F.O. 371/2690/36950.

Japanese to lobby at every level. After Hughes left, the Japanese Consul had interviewed Atlee Hunt early in February.[1] Representations were made in Tokyo to the British Embassy later in the month.[2] Also, the Japanese Ambassador at London left an aide memoire from Baron Ishii, the Foreign Minister, which pointed out that there was a feeling of regret in the Japanese Diet at the strong anti-Japanese sentiment in the British Colonies. Yet the British requested further naval assistance. In fact, a secret session of the 'Committee Meeting of the Japanese Diet' had been essential to gain their approval for the naval assistance. Ishii remarked that unless 'satisfaction' could be guaranteed he would find it difficult to recommend assistance.[3] Greene pointed out that the Japanese would expect the north Pacific Islands for services rendered to date. Grey responded by noting that it was the question of the Treaty that was the Japanese object at this point.[4] It appeared to Alston that the best policy would be to pay the Japanese expenses and stave off for a while 'the nightmare of our effacement in China'.

The Japanese then, were applying heavy pressure on Grey

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1. Hunt to Mahon, 9 February , 1916; Hunt Papers, N.L.A. MS 52/1523; Hunt was prepared to negotiate but stipulated that the 'White Australia' policy was sacrosanct.

2. Greene to Grey, 24 February, 1916; F.O. 371/2690/59701.

3. Paraphrase of telegram, aide-memoire, from Baron Ishii, 20 February, 1916; F.O. 371/2690/36950.

4. Greene to Grey, Grey to Greene, 5, 21, February 1916; F.O. 371/2690/34976 and 36950; minute by Alston, 17 February (30818). Greene enclosed a translation of speeches from the Japanese Diet inveighing against Sir J. Jordan, and the Australians, Dr. Morrison of 'China' and Bruce Smith, the conservative publicist.

and Hughes who thrashed out the matter in discussions in mid-March at which Bonar Law and Sir John Anderson were present. After the first round of discussions[1] Grey immediately informed Greene and the Japanese Ambassador in London that Australia was prepared to negotiate its adherence to the Commercial Treaty. Immigration would be excluded and it appeared that the Japanese were prepared to accept this. Most-favoured-nation treatment would be accorded the Japanese on the tariff, but Australia reserved the right to retain the 'coasting trade' south of the Equator in British territory. Then Grey informed Greene that 'Japan also reserves her coasting trade' and 'would no doubt treat as coasting trade any territory that she acquired north of the Equator.[2] This version accords with the Japanese recollection on the subject.[3] Hughes in writing to Pearce was much more graphic. He confided that he had had several long conferences with Bonar Law and Grey. It was clear to Hughes Japan was 'most keenly interested in Australia'. The Japanese Ambassador had enquired even before his arrival about the Commercial Treaty but there had been no talk about the 'test [the White Australia policy]'. One can therefore assume on the strength of Hughes's own assertion that the Japanese goal in 1916 was 'commercial' and not 'immigration'. Grey had explained, Hughes went on, that there had been pressure on Japan's loyalty and inducements had been offered to Japan to defect but he believed that Japan would remain loyal. Hughes however feared the worst. Referring to Britain's need for Japanese naval assistance Hughes could see the difficulty of a quid pro quo, for the Allies could hardly expect Japan to remain loyal to the Alliance if she could not gain concessions in China; her people could not come to Australia nor was she eligible for most-favoured-nation treatment with respect to the British Empire and Australia. It would appear at this point that Hughes reacted characteristically:

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[1] F.G.A. Butler, Colonial Office to Drummond, (Foreign Office), 6 April, 1916; Grey Papers, F.O. 800/91/553; comparing notes on the conversations in March.

[2] Grey to Greene, 23 March, 1916; F.O. 371/2688/56401.

[3] Memorandum by Japanese Ambassador, 2 February, 1917; F.O. 371/2950/26707.

> I told Grey that Australia would fight to the last ditch rather than allow Japanese to enter Australia. Upon that point we were adamant. I told him that as to control of the Pacific after the war, we were prepared to consider favourably the Equator as a line of demarcation, giving us control of all Islands to the South.[1]

This was not a sudden act of generosity or impetuosity. All that Hughes had said was that 'we were prepared to consider'. His options on this still remained open. With regard to the Commercial Treaty Hughes informed Pearce that he had let Grey know that if the British Government, under the pressure of war, felt that it would help to secure Japanese aid 'we would consider the question of giving Japan most-favoured-nation treatment with respect to the tariff'. Again Hughes retained his options. Hughes concluded this lengthy communication, pointedly referring to the inadequate method of formulating imperial foreign policy:

> The difficulty is to avoid saying too much. What I propose to say is this. That the present system: under which the Parliament of Great Britain determines our destiny - we having no voice, cannot (ought not to) continue: I shall not say what form the change should take. Please put this view before the government and cable me immediately.

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[1] Hughes to Pearce, 21 April, 1916; Pearce Papers, Australian War Memorial Library, Pearce MS 3/3.

When Bonar Law was asked by Grey to confirm the substance of these discussions he recollected that Hughes had reserved 'all British Possessions in the Pacific and not merely those South of the Line' for her coasting trade. This was a point he felt sure Hughes would notice and upon which he would be adamant.[1] As we have seen, Australian trade was being excluded from the islands in the north Pacific held by Japan and Hughes wanted to reverse this trend. Grey hurriedly advised Greene at Tokyo to inform the Japanese of this and reasoned that the Japanese were not likely to object:

> Unless we were to claim something north of the Equator which did not belong to us before the war which Japan desires.'[2]

The Japanese response to all of this was generally favourable.[3] It appears though that matters were fuzzy or cloudy in Hughes's own mind, possibly owing to the assumptions and hypothetical analogies that had been employed in the conversations. He therefore instructed his secretary Shepherd to deliver a note clarifying his position which stated that 'nothing he said during the course of his discussion involved support of the proposal to submit the commercial treaty except only so far as placing Japan on "favoured nation" basis in any tariff and his promise began and ended there.'[4] Even though this was crystal clear Hughes

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1. Bonar Law to Grey, 24 March, 1916; F.O. 371/2688/56401.

2. Grey to Greene, 25 March, 1916; F.O. 371/2688/56401.

3. Telegram from Ishii, 8 April, 1916; C.A.O., AA 63/48, item J/2/3/2.

4. Secretary Prime Minister's Department, M.L. Shepherd, to Mr. J.C. Davidson, Colonial Office, 5 April, 1916; Grey Papers F.O. 800/91/552.

still was uneasy. Matters still were indecisive in his own mind. He sought another round of conversations.[1] In response to his last communication which had been handed on to Grey, Hughes was told that the Japanese had been informed that only most-favoured-nation status was being negotiated. There also had been some discussion on the question of immigration. However, it was agreed that the subject was not one that could be discussed at this time. Finally, 'coasting trade', a thorny issue, was to be reserved for local interests and was 'not open to foreigners'.

In the interval also, Grey had received disquieting news about the Japanese which was not communicated to the Australians. German overtures to the Japanese Ambassador at Stockholm revolved around a separate peace, à trois, with the Russians. Germany had guaranteed the Japanese the north Pacific Islands and Kiaow Chow. Japan had informed all her allies. Thus pressure on Grey had increased in this area, for Britain had applied pressure herself on Japan to tone down her demands on China.[3]

The next round of conversations had been delayed owing to Hughes's prolonged illness. In the meantime, Grey had had conversations with the Japanese Ambassador, Inouye.[4]

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1. Shepherd, Secretary of Prime Minister's Department to F.G.A. Butler, Colonial Office, 17 April, 1916; C.A.O. AA63/48, item J2/3/2; Hughes had minuted on 10 April, 'This matter is to be thoroughly cleared up by another interview. W.M.H.' Ibid.

2. F.G.A. Butler, Colonial Office to Drummond, Foreign Office, 6 April, 1916; Grey Papers, F.O. 800/91/553; C.F. Dormer to Butler, 7 April, 1916; C.A.O., AA 63/48 item, J2/3/2.

3. Grey, memorandum, 4 May, 1916, including Grey to Greene, 29 April, 1916; CAB 371/147/167' printed for Cabinet, May 1916; on this subject see Peter Lowe, Great Britain and Japan, chapter 7, and Roger Louis, Germany's Lost Colonies, pp.48-9.

4. Inouye returned to Japan in September 1916 and was replaced by Sutemi Chinda; see Nish, Alliance In Decline, p.149.

There is little wonder that Hughes, faced with the programme he undertook, would fall ill, especially in one who did not enjoy the best of health at any time. His deafness, poor digestion, and extreme shortness were all handicaps he bore stoically and must surely account for the irritability under pressure that critics, especially cartoonists, delighted to portray.[1]

When Grey and Hughes did meet again, in May, Hughes still held his ground giving nothing away. Prepared to discuss matters, he pointed out that it would be a lengthy business for the Australian Parliament to go through the Commercial Treaty line by line, clause by clause, for this is what Australia would do before it would consider adhering to the Commercial Treaty. Grey's reaction to this was to suggest that in these circumstances the most-favoured-nation status on the tariff seemed to be the area where some agreement could be reached. The coasting trade question again was raised and again the realm of hypothetical analogy and assumption was employed whereby Japan 'in possession of some islands in the Pacific north of the Equator' would certainly reserve for herself the coasting trade for 'any islands which are now or may hereafter be, in her possession in the Pacific'. Grey informed Greene that 'Hughes had given me to understand that there would be no objection to this definition.'[2] It is a moot point as to whether Hughes or even Grey for that matter, on the strength of the above exchanges thought that Japan would claim possession of all the north Pacific Islands currently in her possession.

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[1] See David Low, the Bulletin, 16 March, 1916. F. Owen, Tempestuous Journey: Lloyd George: his Life and Times, (London, 1954), records the aphorism about Hughes, p. 369: 'He was too deaf to listen to reason, too loud to ignore and too small to hit."

[2] Grey to Greene, 11 May, 1916; F.O. 371/2688/92475 and CAB 37/147/30. The Japanese version is in 2 May, 1917; F.O. 371/2950/26707.

There was yet a further round of negotiations. This time Grey requested an interview with the Japanese Ambassador present.[1] Evidently prior to this, late in May, at a luncheon with Grey, Hughes had confirmed the fact that he was prepared to commence negotiations on the most-favoured-nation status. A delighted Grey communicated as much to Greene.[2] The final round however did not include Grey as planned. Arthur Nicolson, Hughes, and the Japanese Ambassador conferred on 9 June[3] in Grey's absence owing to the illness that was to rob him of the effective use of his eyesight.[4] Hughes confirmed his acceptance of according most-favoured-nation status to Japanese imports, apart from the rate applicable to British Goods. Tourists, students, and the 'leisured' classes would be given European status in travel arrangements, it being emphatically recognized that labourers and traders were excluded from these liberalized arrangements.[5]

Lord Robert Cecil's 1918 reconstruction of these discussions concluded that he was justified in claiming Hughes had accepted the Japanese case for the Islands on the basis of his acceptance of Grey's 'analogy' and

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[1] Grey to Hughes, 19 May, 1916; Grey Papers, F.O. 800/91.

[2] Grey to Greene, 24 May, 1916; F.O. 800/68/281.

[3] Arthur Nicolson, Permanent Head of Foreign Office, draft memorandum, 9 June, 1916; F.O. 371/2688/113542.

[4] On these occasions Lord Crewe took over Grey's duties; Grey soon moved to the House of Lords and in June, Lord Hardinge took over from Nicolson; see Robbins, Sir Edward Grey, pp.322-3 and Lord Hardinge, 'Old Diplomacy - The Reminscences of Lord Hardinge of Penshurst, (London, 1948), p.200.

[5] See also Hughes to Fifield, 13 March, 1951 cited in Fifield, Woodrow Wilson and the Far East, pp.60-61.

'assumptions'.[1] E.L. Piesse, extremely careful in his assertions on Australia's external relations with Japan, avoids this particular point in articles which include these 1916 negotiations, observing that 'perhaps no one in Australia but Mr. Hughes knows what passed, and probably there is no complete record of it outside the Japanese Foreign Office'.[2] Sissons concludes that Hughes in 1916 cannot be held to have accepted the permanent possession by Japan of these Islands. As Sissons notes, in Hughes's 1919 rebuttal of Catts's assertion that he 'gave away the islands', Hughes refers to the events of 1916 when on his return from England he had informed Cabinet, the Parliamentary Labour Party, and a secret session of the whole Parliament that:

> the responsibility for that position [Catt's assertions] rested not on my shoulders but on the shoulders of those charged with the conduct of the war.[3]

That the Imperial Government the following year felt it necessary formally to enquire whether Australia would object to their giving a pledge to Japan to support her permanent occupation of the Islands is a sufficient indication that the 1916 discussions were not considered conclusive by Britain herself. There is this inconclusive note about the whole question at this time. Hughes's own statement to his colleague Pearce is

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1. Cecil, Memorandum, 15 October, 1918; F.O. 371/3236/176414.

2. E.L. Piesse, 'Australia and Japan', address, Melbourne 1915; Piesse Papers, N.L.A., MS 882/9; Piesse had been Director of the Pacific Branch in the Prime Minister's Department with access to all papers in the possession of the Commonwealth. Out of Office he regularly addressed meetings of the 'Round Table'. See also his 'Japan and Australia', Foreign Affairs, vol.IV, pt.iii, January 1916, pp.475-88, where this point is avoided completely.

3. Hughes C.P.D., vol.LXXXIX, p.12611, 19 September, 1919; see Sissons, 'Attitudes to Japan and Defence', pp.103-04; see also Roger Louis, 'Australia and the German Colonies', pp.412-3. As Sissons observes, there are no extant records of the statements of Hughes to Cabinet, the secret session of Parliament, and the Parliamentary Labour Party.

conclusive: 'As to the control of the Pacific Islands after the war, we were prepared to consider favourably the equator as a line of demarcation'. His remarks in 1916 were 'without prejudice'. Hughes was waiting for the terms of peace when he would expect to be able to thrash the matter out finally.

It was a pity that Austen Chamberlain of the India Office had not been involved in these discussions. He wrote to Hughes just before the departure of the Australian. Chamberlain pointed out that if the Japanese now were to be accorded more favourable conditions in going to Australia it 'would only be fair to extend those rights to Indians'. He confided that the Government of India 'are themselves confronted with special difficulties, in part commercial, industrial, and relating to shipping and in part also political relating to Japan'. He hoped that the various 'units of the Empire' with Japanese interests would be able to 'compare notes before any final decisions were reached by any of them'.[1] Such consultation as envisaged by Chamberlain would have been welcomed by Hughes. A much more realistic picture of the Far East and the Pacific would have emerged for all concerned. Such realism was essential for those like Hughes charged with a Dominion's external relations.

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[1] Austen Chamberlain, to Hughes, 20 June, 1916; C.A.O. AA63/48, item J2/3/2.

III THE PARIS ECONOMIC CONFERENCE

The author of *The Blockade of the Central Powers 1914-18* has commented that the 'Recommendations of the Economic Conference of the Allies held at Paris' in mid-June came to nothing.[1] The Allied representatives did not find it difficult to agree upon concrete obligations during the transitional period after the War. They agreed to exclude Germany from their most-favoured-nation status, to refuse her access to raw materials which they wanted themselves, and to erect barriers against her goods. However, the so-called 'permanent measures of mutual assistance and collaboration' necessarily were left wide open.[2] Sir Cecil Spring-Rice, the British Ambassador at Washington, pointed out that the published results of the Conference with regard to a future policy of exclusion directed against German trade 'does not appear calculated to win the sympathy of the American public'. The *World* reckoned that the Allies were imitating Bernhardi and pertetuating war. They had lowered their moral tone. The best thing that could be said for the plan was that 'success is impossible'.[3] Britain was especially susceptible to American sentiment at this time hoping the United States would soon enter the War on the side of the Allies. The Board of Trade therefore, hastily prepared an *aide-memoire*, with the objective of correcting any false impressions. The memorandum denied a 'permanent economic war' and denied 'a determination to prolong in the economic sphere the present state of war' and after peace 'a policy of aggression against the Central Powers'. The real force of the Recommendations was for the 'Transitory Period' which would be the period immediately following the War. The proposals for this period were of a purely transitory and temporary nature and had been forced upon the Allies by the necessities of the case.[1]

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[1] A.C. Bell, *The Blockade of the Central Powers 1914-18*, (London, 1961) being a volume in the Official History of the War, pp.557-588.

[2] *Recommendations of the Economic Conference of the Allies held at Paris on June 14, 15, 16 and 17, 1916*; *Command 8271*, 1916.

[3] Spring-Rice to Grey, Washington, 23 June, 1916; Bonar Law Papers, House of Lords Record Office, Box 61, Paris Economic Conference; also CAB37/151/2.

The American criticisms smack of the allegations levelled at Hughes some time after his return to Australia. A censure motion was lodged by F.G. Tudor, the Labour Opposition Leader, who contended that the Prime Minister's speeches and proposals at and in relation to the Paris Peace Conference would prolong the War. Hughes in reply rose to the challenge:

> If there is anything I glory in more than anything else it is the part I took at that Conference. When I make war it is war to the death....In ten years time this country would have been the economic vassal of Germany.[2]

There is no doubt that Hughes's participation in the Conference contributed in no small measure to the final Recommendations of the Conference. A close examination of his involvement therefore will help to establish basic goals in his economic policy which dovetail with the general objectives of his foreign policy.[1]

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[1] Board of Trade to Foreign Office, Draft, n.d.; Llewellyn-Smith, Board of Trade to Bonar Law, 25 July, 1916; Bonar Law Papers, House of Lords Record Office, Box 61, Paris Economic Conference.

[2] Tudor, Hughes, C.P.D., vol.LXXIV, p.4017, ff, 24 April, 1918.

In December 1915 Walter Runciman, President of the Board of Trade, informed Lord Milner that he had initiated moves to investigate the general question of trade relations after the War with a view to the successful promotion of British trade and also with the object of devising measures for the prevention of the effective resumption of Germany's policy of peaceful economic penetration.[2] Thus in January 1916 in the Commons he went a step further, and announced plans for economic war after the shooting had ended: 'We must see to it that having ended this war victoriously we do not give Germany the chance of reconstructing her commercial production'.[3] Early in February the Conference was announced and even before Hughes had reached England Bonar Law had sounded out Sir Edward Grey concerning Dominion representation.[4] Also, Pearce had cabled Hughes, drawing his attention to the subject. The Prime Minister in New York lost no time contacting Bonar Law concerning Dominion representation.[5]

However, he was faced with blocks to the participation of the Dominions in general and to his presence at the Conference in particular. Asquith raised objections. In the Commons on 9 March, speaking about the proposed Conference in

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[1] For an exhaustive treatment of Hughes at this Conference see Fitzhardinge, The Little Digger.

[2] Runciman to Milner, 23 December, 1915, Milner Papers; cited in Marvin Swarz, The Union of Democratic Control in Britain, (Oxford, 1971), p.78.

[3] Parliamentary Debates, Commons, vol.LXXVII, col.1368, 10 January, 1916.

[4] Bonar Law to Grey, 14 February, 1916; Grey Papers, F.O. 800/91/536.

[5] Hughes to Pearce, 21 April, 1916, Pearce Papers, Australian War Memorial Library, Pearce MS 3/3. Bonar Law to Hughes, n.d., Grey Papers, F.O. 800/91/554. Cable for Secretary of State Colonies, 25 February, 1916, C.A.O., CP 447/3, 1916 Paris Economic Conference.

Paris, he made it clear that whoever represented Great Britain 'nothing will be done and nothing will be said' which will 'in any degree fetter the free action either of the Government or of the House of Commons'. But it was imperative to accept the invitation of France to confer on ways and means during the war and 'as a belligerent operation, to put some kind of economic pressure upon our opponents'. Also it was just as necessary 'to offer some kind of economic assistance to our Friends'. However, speaking of the period after the War Asquith was most guarded and pointed to the danger of adopting measures that could rebound on the Allies.[1] It was at best a tentative attitude to the Conference. There was no mention of Dominion representation. As W.S. Hewins, President of the Tariff Commission noted in his diary: 'conference affairs *(are)* not going very well. Hughes wants to go but the *(British)* Government are against it'.[2] Hughes relayed much the same news to Pearce but also that he was 'opposing vigorously'.[3] The Dominions were informed that even though they could not be represented nothing would be done to commit them to any line of action without consultation with them.[4]

It was at this point that the jockeying and lobbying over the actual representation reached a crisis that in the end resulted in the announcement on 10 April in the Commons of Hughes's selection as one of the delegates - not of the

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1. Asquith, Parliamentary Debates, Commons, vol.LXXX, cols.1755-58, 9 March, 1916.

2. H.W. Hewins, Diary, 14 March, 1916, in his Apologia of an Imperialist, vol.II, p.66.

3. Hughes to Pearce, 16 March, 1916., C.A.O., CP447/3. SCII, (5).

4. Pearce to Hughes, 16 March, 1916., Ibid.

Dominions - but of Great Britain itself.[1] This in itself was a remarkable precedent. In the end, Lloyd George, Bonar Law, an aroused public opinion, and even the King, all became involved in the issue.

Sir George Perley, Canada's Minister for Overseas Military Forces, informed Sir Robert Borden, his chief, that the conference after all would be a low level affair, more in the nature of preliminary discussions than in reaching settled and lasting policies. This was the distinct impression Bonar Law had conveyed. It was expected that Runciman and Law would be Britain's representatives.[2] George Foster, the Canadian Minister for Trade and Customs had relayed much the same message. Two days later in the Commons, during Lloyd George's speech on the Conference he raised the question of the possibility of Hughes's attendance at Paris. He also saw the Conference as a deliberative and consultative exercise but he did not believe that the status quo ante bellum could ever be restored. This did not necessarily imply a protectionist tariff wall that was prohibitive, but, for example, the War had proved that there were industries essential for war and therefore for national existence. At this point Lloyd George paid Hughes an eloquent tribute as the man who laid open these matters to the public and to himself: 'I have never met an astuter man of business when dealing with affairs'.[3] Such promotion, along with the

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[1] Sir George Foster, the Canadian Minister for Trade and Customs was the other 'British' delegate from the Dominions.

[2] Perley to Prime Minister [Canada], 21 March, 1916; Foster Papers, Public Archives of Canada; Fitzhardinge, 'Hughes Annex'. George Foster to Sir Robert Borden, 21 March, 1916; Ibid.

[3] Lloyd George, Parliamentary Debates, vol.LXXXI, cabs., 517-20, 23 March, 1916.

'inspired' newspaper campaign provided a climate of opinion that would have been difficult to resist. Bonar Law, loath to or at least hesitant to push Dominion representation, was pressured with suggestions that Hughes should attend.[1] The British[2] and French press in the last week of March and first week of April called for his inclusion as a delegate to the Conference. French press advocacy of Hughes must have been significant and may well have been the critical factor. The French press approved of Hughes's policy of economic war against the Germans but was at the same time concerned at the implication of an Anglo-Saxon trade bloc that could exclude 'foreign' trade from the Empire:

> La Voix de L'Empire
>
> Ce doit être d'après M. W.M. Hughes le premier ministre d' Australie l'empire britannique de demain...*(Il)* à insisté tout d'abord sur la necessité d'extirper toute influence allemande dans la commerce britannique....Il voudrait unir les colonies à la mere patrie par liens qui, en les solidarisent étroitement, les séparaient assey sérieusement du reste du monde....C'est contre l' Allemagne qu'il se prononce, mais il est evident que son ostracisme s'étendrait forcement à tous les autres pays.[3]

Perley reported that Hughes's statements 'caused a sensation' in France and his visit to Paris was 'earnestly awaited'.[4]

Meanwhile, Bonar Law was anxious that the Conservatives should be represented, suggesting Austen Chamberlain to

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1. For example, Walter Long, President of the Local Government Board, Lord Duncannon.

2. The Times, 16, 21, 25 March and 7, 8, 10 April, 1916.

3. Argus de la Presse, Paris, 23 March, 1916; Journal des Debates, Paris, 28 April, 1916; newspaper cuttings 1916 Paris Economic Conference. C.A.O., CP447/3, SCII, (5).

4. Sir George Foster to Sir Robert Borden, 27 March, 1916; Foster Papers, Public Archives of Canada; Fitzhardinge, 'Hughes Annex'.

Asquith, who approved rather of Bonar Law himself accompanying Runciman.[1] In the event, Runciman, who became ill,[2] was replaced by Lord Crewe,[3] the Liberal imperialist, only after Asquith's nominee, Harcourt, had been dumped by the Conservative's Business Committee which objected.[4] Bonar Law became the Conservative member of the British delegation.

Bonar Law early in April thus informed the governors-general that there was 'a strong feeling here' that since Hughes was on the Continent advantage should be taken of his presence by inviting him to represent Great Britain on the strength of his position as an 'Imperial Privy Councillor'.[5] The King was assured that this was possible and constitutionally valid.[6] The Prime Minister formally announced on 10 April that Hughes had been invited to attend as one of the representatives of the 'Imperial Government'.[7]

That Bonar Law had extreme reservations about the Conference in view of the 'delicate nature' of the subjects to be dealt with, and the possibility of raising 'old controversies' is clear from these remarks to Munro Ferguson when he reported that Hughes would attend the Conference which he hoped would be 'of some little use'.[1] Asquith, a week or so before the Conference was due to begin, attempted to delay it, ostensibly to suit the Italian delegation. Hughes recorded his objections and saw it as yet further evidence of cold feet: 'I am trying to stiffen the backs of those that be: here'.[2] This was precisely the objection to Hughes it would seem. As Wickham Steed observed, Hughes's presence at the Conference as a British delegate would ensure that the '"wobblers and "ready-to halts" would be snowed under'.[3] In the attempt to keep Hughes silent Bonar Law informed him, so Garran and Hughes recalled, that he was not permitted to speak. One can imagine Hughes's reaction to this.[4] In the event, the procès verbaux of the Conference laconically records the words of the Chairman, M. Clemental, the French Minister of Commerce, that only two members of each delegation should speak to any one item but:

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[1] Bonar Law to Asquith, Asquith to Bonar Law, both 23 March, 1916; Bonar Law Papers, House of Lords Record Office, MS 53/6/65; 52/4/27.

[2] Wickham Steed, of The Times thought this fortunate for he did not believe the 'economic team of the Empire' should be led by a 'jibbing mule'. Wickham Steed to Hughes, 2 May, 1916; C.A.O., CP 447/3 SCII (5).

[3] Marquis of Crewe, (1858-1945); leader of House of Lords from 1908-10; India Secretary, 1910-15; Education, 1916; resigned with Asquith.

[4] Hewins, Diary, 20 June, 1916; Apologia of an Imperialist, vol.II, p.74.

[5] Secretary of State for Colonies to Governors-General, Union of South Africa, New Zealand and Newfoundland, 12 April, 1916; Bonar Law earlier had sounded out Sir Robert Borden for his approval on 8 April; Bonar Law Papers, House of Lords Record Office; Box 61, Paris Economic Conference; MS 50/2/3.

[6] Lord Stamfordham, *(private secretary of King George V)* to Bonar Law, Bonar Law to Stamfordham, both 8 April, 1916; Ibid; MS 53/1/8 and 53/6/72.

[7] Asquith, Parliamentary Debates, vol.LXXXI, cols.1471-2.

> il servit toutefois permis aux represents d'Australie et du Canada d'exposer leur point du vue.[5]

The case that Hughes outlined that day was substantially what had been developed under his guidance and inspiration in

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[1] Bonar Law to Munro Ferguson, 3 June, 1916; Davidson Papers, House of Lords Record Office.

[2] Hughes to Pearce, 3 June, 1916; Pearce Papers, Australian War Memorial Library, Pearce, MS 3/3.

[3] Wickham Steed to Hughes, 2 May, 1916; C.A.O., CP 447/3, SCII (5).

[4] Garran, Prosper the Commonwealth, pp.27-9; Bonar Law was so taken aback by Hughes's reaction he sought Asquith's advice.

[5] Clemental, procès verbaux de la Deuxième Séance mercredi, 14 Juin, 1916; Conference Economique des Governments Alliées tenue a Paris... 1916. Programme, delegations, proces verbaux, des séances et actes de la Conference; 'Hughes's Working Papers', C.A.O. CP 447/3 SCII (5); Hughes had scrawled a note to his interpreter: 'I can speak can I not?'

Australia. In fact 'Lois Australiennes, interdisant le commerce avec l'ennemi' was tabled as a Conference Paper as Hughes did not believe the proposals set forth for consideration went far enough.[1] The chairman himself had noted that on the question of enemy contracts the Australians 'a mis fin indistinctement tous les contrats avec sujets ennemis' whereas the English had stipulated that only contracts considered 'nuisibles à l'intérêt générale' should be annulled.[2] The Conference decided on a compromise which was incorporated as one of the Recommendations:

> Ils rechercheront l'éstablissement d'un régime permettant la résiliation pure et simple des contrats souscrits avec nuisibles *à l'intérêt national*.[3]

This really suited Hughes, for his own Paper, 'Lois Australiennes', had stated that a contract could be annulled if in the opinion of the Attorney General an enemy subject possessed a material interest - which for Hughes would have been against the 'national interest'.[4] It was because Australia had utterly eradicated enemy influences and Britain had not, that Hughes was so active on the subject. As he advised Pearce: 'If Britain with whom we do most of our trade exists as a house of German influence' then Australian measures would be nullified.[5]

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[1] Hughes, 14 June, 1916; *Ibid*.

[2] Clemental, *Ibid*.

[3] Recommendations of the Economic Conference of the Allies, I(C); my emphasis denotes the compromise phrase.

[4] 'Louis Australiennes', 14 June, 1914; Hughes Working Papers, C.A.O., CP447/3. SCII (5).

[5] Hughes to Pearce, 21 April, 1916; Pearce Papers, Australian War Memorial Library, Pearce MS 3/3.

Runciman was pleased with Hughes's efforts at the Conference:

> I gather that you gave emphatic support to the resolutions which I had drafted for the Conference before I feel ill. I am glad to have heard this evidence of the unanimity of the British delegations in Paris.[1]

Foster reported that 'we are having our own time with Hughes but are managing to keep him in fair bounds'. He rather felt that 'Australia has been over boomed through Hughes or rather Hughes via Australia' but then, as much as he hated advertising, 'sometimes some of it has to be done'.[2] The important aspect, Hewins noted, was that his hopes for the Conference had been realized by the adoption of the extreme resolutions that he had proposed.[3] He had advised the French, he says, to prepare two programmes: one moderate, the other extreme which incorporated the 'deeper economic tendencies'. As the Conference date approached and the climate of opinion appeared to favour the latter programme, it was the one presented to the Conference. There appears to have been very little conflict between the British and the French proposals.[4] Bonar law very quickly notified Lloyd George of the conclusions of the Conference:

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1. Runciman to Hughes, 18 June, 1916; C.A.O., CP447/3/ SCII (5).

2. Foster, Diary, 15, 18 June, 1916; Foster Papers, vol.1, Diary Canada Public Archives of Canada, MG27, II, D7; Fitzhardinge, 'Hughes Annex'.

3. Hewins, diary, 20, 23 June, 1916; Apologia of an Imperialist, vol. II, pp.74-5.

4. 'Memorandum on the Paris Economic Conference', n.n.; Asquith Papers, Bodleian Library, MS Asquith 33.

> 1. The Allies in response to what appears to be economic war waged by the Central Powers declare their own to continue through the ensuing peace.
>
> 2. Prohibition of trade with the enemy to be complete.
>
> 3. To continue for some years after war to allow restoration of economies.
>
> 4. Permanent measures to be adopted to guarantee Allies raw materials essential for normal economic development....[1]

Ironically enough, Asquith was the one who proposed the adoption of the Recommendations in the Commons.[2] It must have surprised his followers in the Liberal Party and strengthened the growing disenchantment in others at this latest sign of apostasy from classic economic liberalism. The postscript to these events must wait till November 1918 when the Board of Trade prepared memoranda on the economic desiderata in the Terms of Peace. By November 1918 it could be argued that the 1916 Paris Recommendations were 'consistent with a reasonable interpretation of free trade' in the twentieth century. Thus the Board of Trade could recommend,[3] as far as the Pacific was concerned, the retention of the German Colonies by the Allies. It noted the predominant position of Australasian interests in German Pacific trade before the War and that therefore they would want to be consulted 'as to any commercial desiderata in connection with the territorial rearrangements in question'. Britain it recommended should retain Nauru, well known for its incomparable reserves of phosphates.[1] As we shall see, the Australasians had their own thoughts on the question of Nauru.

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[1] Bonar Law to Lloyd George, copy, telegram, 20 June, 1916; Bonar Law Papers, House of Lords Record Office, Box 61, Paris Economic Conference.

[2] Asquith's statement in the Commons, 2 August, 1916.

[3] Mr. Llewellyn-Smith, Board of Trade, memorandum, 'The Paris Economic Resolutions in Relation to Free Trade', 6 November, 1918; Lloyd George Papers, House of Lords Record Office, F/2/6/2.

In November 1918, with respect to the terms of a peace no less than in June 1916, the problem of steering between the Scylla of a chauvinistic 'Brest-Litovsk' peace and the Charybdis of a bolshevist 'peace without victory' faced the Allies. We have seen where Hughes's inclinations lay. Again, under the extreme pressure of the War it was not so much that statesmen such as Hughes were completely blind to the inherent contradiction in economic self-sufficiency along with exclusivist economic policies but that they were determined that never again should Germany pose such a threat to national security. This I believe explains Hughes's behaviour on these matters here in June 1916 no less than at the Peace Conference in 1919 on the question of reparations. And it underlies the policies carried out by Australian authorities in the mandated Territory of New Guinea in the immediate post-war years - the 'transitory period'. Having said this it is just as true to state that Hughes saw in the Empire the national security and economic prosperity which were the twin goals of his policies.

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[1] Llewellyn-Smith, Board of Trade, Memorandum, 'Economic Considerations Affecting the Terms of Peace, November, 1918; Ibid., F/2/6/1.

IV CONSCRIPTION AND THE EMPIRE

We have observed that Hughes was in England when compulsion was introduced there. Cook, the Australian Opposition Leader, noted in Parliament that Hughes associated with the conscript press of Lord Northcliffe. Arguing on the grounds of complicity by association Cook was pleased to see Hughes's position on the matter. This is as much as could be said at this time for there does not appear to be any documentary evidence to support it but there is some evidence to the contrary. In April Munro Ferguson noted to Bonar Law that as a result of the 're-constitution of the Australian Field Forces' which he hoped had not given 'cause for disappointment at Home' he would like to see more recruits. Hughes though, was 'the only man who could carry compulsion were it necessary and he is also the man to adopt it at a pinch'.[1] In May, Hughes wrote to Munro Ferguson that he would return via the Cape and thus would have conferred 'with every one of the Prime Ministers' on the War. Referring to the coming session of Parliament Hughes informed Munro Ferguson:

> I certainly did not expect that a pronouncement would have been made by the Government on the question of Conscription...[2]

Thus in May Hughes certainly was not certain in his own mind on the issue. When he reached Freemantle in Western Australia, Garran met him with a note from Defence Minister, Pearce, on the poor recruiting situation which cast grave doubts on the suitability of sticking to the voluntary system.[1] The evidence then is of heavy pressure around Hughes to do something about the situation. On Hughes's triumphant progress across the continent he addressed a public meeting in Adelaide, the uncensored report of which was published in the Register. Hughes referred to his having 'lifted on the top most minaret the badge of White Australia' but as Australians were 'a drop in a coloured ocean ringed around with a thousand million of the coloured races' it would need 'something more than a mere guard sprinkled around the seaboard of Australia'. As Sissons notes, the censor took these references to mean Japan and thus they were deleted from further reports of the meeting.[2] Conscription was clearly on his mind but for reasons he could hardly acknowledge. While in London Hughes evidently had discussed such matters with a former journalist acquaintance, Thorold Waters, who recalled that when he quizzed Hughes on the low figure in comparison with the United Kingdom, Hughes replied that Australia had home defence to think about:

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[1] Munro Ferguson to Bonar Law, 1 April, 1916; Davidson Papers, House of Lords Record Office, Munro Ferguson correspondence.

[2] Hughes to Munro Ferguson, 12 May, 1916; Novar Papers, N.L.A. MS 696/2487.

> "But no army can reach you," I reminded him. "The Japanese are your Allies".
> "So they are," he went on. "So they are. But that's just it - and it will be merry hell if you say so."[3]

By mid-August Hughes could write privately to Keith Murdoch that long before the letter reached him 'the issue of "Conscription" as they call it, will be reached in grim earnest'. He noted that 'hot times were ahead'. Nearly all the Labour organizations had passed strong resolutions against compulsion. A large majority of the Labour Party were 'frigh tened out of their lives'. He wasn't even sure of the Cabinet: 'God help the poor - *(sic)*'. He expected a 'tug of war' on the issue with the 'Industrial and Political Executives on Monday...the Party meeting the 24th - Parliament on the 30th'. He was still in two minds on the possibility of success and of even going on with the issue: 'One thing of course would turn me from compulsion - I mean a really great victory. I doubt if this is in sight'. Concluding, Hughes urged Murdoch to keep in close contact for he would be writing to 'Steed and Dillon and of course Lord Northcliffe'.[1] Within three days however, Hughes was informed by the Commandant of A.I.F. Headquarters in London that the War Office were concerned at the insufficiency of reinforcements to replace heavy Australian casualties. It was possible therefore that the Third Division would have to be broken up. The following week the Colonial Secretary relayed a message from the Army Council asking for a special draft of twenty thousand infantry in addition to the normal monthly reinforcements to bring the Third Division up to strength. It was further recommended that for the following three months on top of this the monthly reinforcements rate should be 'calculated at 25 per cent of establishment, that is, about 16,500 per month for five divisions'. Although it was recognized that this 'may greatly inconvenience your Government in training and other arrangements' it was the only means of retaining the Third Division in the field.

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[1] George Pearce to Hughes, 20 June, 1916; Pearce Papers, Australian War Memorial Library, Pearce MS 3/3.

[2] The Register, (Adelaide), 7 August, 1916; cited in Sissons, 'Attitudes to Japan and Defence', p.79, foot-note 22.

[3] Thorold Waters, Much Besides Music, p.5.

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[1] Hughes to Murdoch, 15 August, 1916; Murdoch Papers, N.L.A., MS 2823/33.

The implications were clear. Recruiting[1] for June to August had been some six thousand per month[2]. It was in these circumstances that Hughes met the Labour leaders, Cabinet and Parliament.

Lionel Curtis, in Australia at that time on 'Round Table' affairs[3] had been outlining to Hughes his scheme for solving the problem of Asiatic migration into the Dominions, which Hughes considered favourably. It was the day after Hughes's 'historic struggle with the Trade Union delegates on the question of compulsory service'. As Curtis noted, 'the proceedings at this meeting are shrouded in mystery' but he had every reason to believe that Hughes told the 'Labour leaders that Japan was pressing for the right of free entry into Australia and that Australia's case would be seriously prejudiced' unless at the Peace Conference he could show that to win the War the nation 'had shrunk from no sacrifices'.[4] The proceedings of the secret session of Parliament are also cloaked in silence. However Senator Pearce and Hughes in their announcement of the session stated that 'the voluntary system'had failed, for only one third of the required enlistments for June to August had been forthcoming. In view of the 'grave communications'from the War Council the

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[1] Governor-General to Prime Minister, 18 August, 1916; enclosing cable from Commandant, A.I.F. Head-Quarters, London, 17 August; Colonial Secretary to Governor-General for Prime Minister, enclosing cable, 24 August, 1916; Hughes Papers, N.L.A., MS 1538, 'Conscription Cables'.

[2] Scott, Appendix No.3, Table showing enlistments for each month of the War, Australia in the War, p.871.

[3] See Hughes to Curtis, Editor, Round Table, 25 November, 1916; Shepherd Papers, C.A.O., CRS A1632.

[4] L. Curtis to Chelmsford, Vice Roy of India, 2 November, 1916, National Archives of India: Commerce and Industry Dept., 1916, Emmigration no.7; Fitzhardinge, 'Hughes Annex'. N.L.A.

Government intended to conduct a referendum on the question of whether the country approved of 'compulsory overseas service to the extent necessary to keep our Expeditionary Forces at their full strength'.[1] Piesse reckoned that Hughes again referred to the Asiatic menace in the post-War and that 'to secure Imperial aid Australia must in this conflict not spare herself'.[2] In cabling to Murdoch in September for the support of the overseas press and Allied leaders, Hughes assured him that he was 'quite sure Australia will not fail Britain. I am quite sure she will do her duty'.[3] I believe this was the element uppermost in his mind at this time rather than the 'Asiatic menace' referred to in secret sessions, although that was always present in his thinking in these matters.

Hughes enlisted an impressive array of Allied leaders to support a policy that was for the war effort, the Empire, and Australia. First and foremost Hughes hoped for an overwhelming vote of support from the troops and enlisted the support of the French to promote his campaign among the troops.

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[1] Pearce and Hughes announced the secret session for the following day, C.P.D., vol. LXXIX, pp.8402-3, 30 August, 1916. The Opposition Leader, Cook congratulated Mr. Hughes on his statement. We should note that Pearce held a secret session of Parliament on 9 May, 1916 while Hughes was in England. See, Pearce, C.P.D., vol. LXXIX, p.7680, 9 May, 1916. That day he had tabled in Parliament the British Parliamentary Paper on the occupation of the Pacific Islands by the Japanese and Australian forces. Parliament had not sat since November 1915 thus it was felt appropriate to table these documents. No record exists of the subject matter of the secret session. However Pearce in announcing his plans for the evening referred to the rejection of the call for conscription by the Federal Government in April even though the Federal parliamentary War Committee had recommended that if insufficient recruits were forth coming the voluntary principal should be reviewed. Pearce was not satisfied with this result and informed members that Hughes on his return would inform Parliament on the full military situation and other matters which 'peculiarly affect' Australia. They were of 'such a nature that they cannot be stated publicly' - hence the secret session.

[2] Piesse, 'Australia and Japan', Foreign Affairs, p.482.

[3] Hughes to Murdoch, cable, September; Hughes Papers, N.L.A., MS 1538, Conscription Cables.

Suggesting this line of action to a Captain Millet at Paris, Hughes even proposed the outline of the case to be put to the troops:

> That France has borne the brunt of this furious struggle for two year; tide of battle now turned, but more men are necessary to win the war. France cannot supply any more men; she has been bled white; she appeals to gallant Australian comrades to rally to her side. To turn down Referendum would be to abandon France.[1]

In October Arthur Henderson, Labour Adviser to the British Government and Secretary to the British Labour Movement supplied a suitable statement for the 'workers of Australia'.[2] This was followed by Aristide Briand the Prime Minister of France, expressing warm appreciation for Australia's 'invaluable help'.[3] Then Joffre, Commander-in-Chief of the French Forces provided a message for the Australian troops.[4] Andrew Fisher was contacted along with George Reid, now the Member of Parliament for Hanover Square, to add their names to Barton, Watson, Cook, and Deakin, all former prime ministers, who with Hughes's signature would demonstrate a unanimous support for conscription by all the prime ministers since the birth of the Commonwealth.[5] Murdoch next reported that he was able to add messages from Lloyd George.[6]

The soldiers' votes, so assiduously cultivated, were cast some days before the poll in Australia. Although there was a majority overall in favour of conscription it was something of a disappointment for it had been hoped that an overwhelming vote from the soldiers would have provided a boost for the vote in Australia. As it was, it was considered best, for 'military' reasons to withold publication of the soldiers' vote and to merge all totals so that their voting could not be distinguished from the general figures.[1] Murdoch, reporting the 'unhappy result' informed Bonar Law he would provide him with the cause at a later date 'because it has a strong bearing upon the question of polling the British soldiers'.[2] Bonar Law was relieved at the news from the Governor-General that in spite of the rejection of compulsion by the nation, Australian divisions in the field were likely to be kept up to strength.[3] The King himself was sorry and indeed surprised at the strength of the anti-conscriptionist vote among the troops.[4] Murdoch's view was that the men cared little for political questions and that the ballot box was used as their chance to 'kick against the powers above them who have put them where they are'.[5] In his view the soldiers needed a spell to make them 'fully the old force again. Of course Australians ask no favours....'[6]

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[1] Cable to Captain Millet, Paris, 29 September, 1916; Hughes Papers, N.L.A., Conscription Cables, MS 1538.

[2] Murdoch to Hughes, 16 October, incorporating Henderson's message; Ibid.

[3] 18 October, 1916 Ibid.

[4] 24 October, Ibid.

[5] Hughes to Fisher, High Commissioner at London, 4 October, 1916; Ibid.

[6] 16 October, 1916, Ibid.

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[1] Murdoch to Lloyd George, 23 October, 1916, Lloyd George Papers, House of Lords Record Office MS E42/2/12. In the event a separate record was kept; affirmative, 72,399, negative, 58, 894; Scott, Australia in the War, p.352.

[2] Murdoch to Bonar Law, 25 October, 1916; Hughes Papers, N.L.A. MS 1538, 'Conscription Cables and Correspondence'; 'The voting in the field was three to one against compulsion'; Murdoch to Bonar Law, 20 November, 1916; Lloyd George Papers, House of Lords Record Office, MS E2/17/13.

[3] Bonar Law to Governor-General, draft telegram, n.d., *(early November)*; Davidson Papers, House of Lords Record Office.

[4] Stamfordham to Davidson, 30 October, 1916; Ibid.

[5] Murdoch to Lloyd George, 25th October, 1916; Lloyd George Papers, House of Lords Record Office, MS E4/2/12.

[6] Murdoch to Bonar Law, 20 November, 1916; Davidson Papers, House of Lords Record Office.

Hughes himself confided to Murdoch that he could 'hardly forbear to rail against the Anzac vote which could and it would have pulled us through'.[1]

The domestic vote was close. As Hughes put it:

> Candidly I don't think any country situated 12,000 miles away from the seat of war and drenched daily with a pubulum of reckless misrepresentations and wicked lies: would have done better.[2]

In this he proved correct. South Africa, that provided few forces for the major theatres of the War, did not adopt conscription. Both Great Britain and New Zealand implemented compulsion through National Service Acts. Canada was the only other Dominion that put the question of conscription to the vote, by means of a general election in December, 1917. It was also fought in an atmosphere of high emotion which strained national unity to the breaking point. The outcome was a clear verdict in favour of conscription. It should also be noted that Ireland was exempted from the 1916 Act and even in the later 1917 Act conscription was not applicable to Ireland.[3] Thus Hughes could write with justification:

> It was unique. In all the world there has not been anything like it *(sic)*. For the first time in the history of democracy-of modern democracy at all events, the people

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[1] Hughes to Murdoch, 4 November, 1916; Murdoch Papers, N.L.A.

[2] Ibid., The figures were: yes, 1,087,577; no, 1,160,033. For a dated account of the campaign see Scott, Australia in the War, chapter IX; G. Sawer, Australian Federal Politics and Law, 1901-29, (Melbourne 1956), provides expert factual material. L.C. Jauncey, The Story of Conscription in Australia (London, 1935), emphasises the anti-conscriptionist case in a rather biased way. The author was a pacifist.

[3] N. Mansergh, The Commonwealth Experience, (O.U.P., 1961), pp.168-9; see also M. Beloff, Imperial Sunset: Britain's Liberal Empire, vol.I, pp.191-4; for a critical assessment of the Canadian campaign which 'broke the nation asunder'. See R. Graham, Arthur Meighan: A Biography, (London, 1960), vol.I, Chapter VI, 'Wartime Politics: Conscription'.

> were asked to say whether they would have Peace or War or what manner they would wage war: Both these issues were involved - they are indeed one because there is only one way of waging war.[1]

In a vote so close one can hardly distinguish the sectional vote that proved decisive one way or the other. Munro Ferguson in his despatch to the Colonial Secretary days after the vote listed the causes that he had identified. Firstly, there was the 'opposition of the Farmers' who feared further depletion of their labour force. Secondly there were the misrepresentations of the trade unionists who raised the bogey that cheap labour would be imported into the country to replace conscripted men.[2] The female vote, a sentimental cry against sending a son, or husband or 'another woman's son to his death' was yet another factor that weighed against conscription, and finally, Munro Ferguson noted that the returned soldier whose support for compulsion had been expected, in fact appeared to have voted against it on a variety of grounds, the most likely being to prevent the A.I.F. becoming a 'conscript force'.[3] Bonar Law in reply considered that when Hughes was in London 'he sowed the seeds of suspicion by his association with a certain section of our press here which has resulted in his reaping the whirlwind of criticism in Australia'.[4] Hughes himself, pouring out his thoughts on paper to Murdoch and Curtis considered that the

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[1] Hughes to Murdoch, 4 November, 1916; Murdoch Papers, N.L.A., MS 2823/33.

[2] The 'Maltese incident' was important from an 'Imperial point of view', noted Munro Ferguson. A batch landed in September, 1916 in Australia. This was the source of the rumour. As a result no more were allowed to enter the country. Munro Ferguson to Prime Minister, 3 March, 1917; Novar Papers, N.L.A.; see Scott, Australia in the War, pp.354-6.

[3] Governor-General to Colonial Secretary, 3 November, 1916; C.O. 418/146/62211; see also his private letter of 29 October, Davidson Papers, House of Lords Record Office.

[4] Bonar Law to Munro Ferguson, (?) November, 1916, Ibid.

'chief lie' or 'chain of lies' that harmed him was the '"coloured labor"' bogey. But the hostility of the Sydnicalists, farming interests and 'shirkers' all played a part. He also felt that as a large section of the Irish were hostile to Britain and the Empire they would have voted against conscription simply on that basis.[1] Early in the campaign he had alerted Bonar Law and Lloyd George to the fact that the Irish question was having a very disturbing influence on the question of the conduct of the War whether it was in ordinary recruiting or in the current conscription campaign.[2] Lloyd George regretted his inability to solve the Irish issue at the time. He told Carson:

> At every stage the Irish question is a stumbling block in the conduct of the war. It ought to have been settled last year. I feel that I was a coward then not to insist upon a settlement then. It has done much harm in Australia. Hughes begged me last year to settle it for the sake of Australia, but I failed to do so. Twice since then he has sent me messages saying that it is essential that the matter should be settled.[3]

That the solution of the Irish question was essential as far as the conduct of the War was concerned in Australia was recognized as far back as December 1915 when the censors were instructed to delete any reference that 'questioned in any way or reflected on the loyalty of our Irish fellow subjects'. The press were informed that owing to 'German Propaganda in America directed to stir up a seditious movement among the Irish section of the Community' it was important to promote the 'essential unity of our people in the common effort to carry the war to a successful conclusion'.[1] It may well be that events of Easter in Dublin decided the issue in October in Australia.

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[1] Hughes to Curtis, 25 November, 1916; Shepherd Papers, C.A.O., CRS A1632.

[2] Governor-General to Colonial Secretary, 12 September, 1916; Hughes Papers, N.L.A., MS 1538, 'Conscription Cables and Correspondence'.

[3] Lloyd George to Carson, 25 April, 1917; A.J.P. Taylor, (ed.), Lloyd George: A Diary by Frances Stevenson, (London, 1971), p.155.

From an imperial point of view, was conscription in 1916 in Australia necessary? As it turned out the Third Division was not broken up[2] and by mid-1918 the Australian forces had been consolidated into the Australian Corps under their own leader, Lieutenant-General Sir John Monash.[3] A distinguished Australian legal authority, Dr. H.V. Evatt, has asserted that 'it is now established that Hughes was mislead.' He has argued that the critical cable from Army Council on 24 August was decisive. Hughes could hardly question it even if he had thought of doing this. He had been in England through their conscription crisis, had witnessed the stalemate on the Western Front at first hand. Then there was the bloody failure of the Somme where 'on the night of July 19 alone the Australian [fifth] Division had between 5000 and 6000 casualities'.[4] These were unparallelled losses and unquestionably, if, as Pearce informed Fisher, Australian

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[1] Memorandum, 11 December, 1915; Pearce Papers, Australian War Memorial Library, MS 3/3.

[2] See Scott, Appendix 3, Scott, Australia in the War, p. 871-3.

[3] The Cambridge History of the British Empire, (C.U.P., 1933), vol. VII, Pt, I, H.S. Gullet, 'Australia in the War - Military', p.560. He had been an official War Correspondent on Hughes's public relations staff at Paris Peace Conference.

[4] Ibid., p.555 and H.V. Evatt, Australian Labour Leader, (Sydney, 1940).

Forces were to be held together and so that the Australian contribution to the War would not diminish, compulsion appeared necessary.[1] Hughes's immediate response to the Army Council's request shows that he accepted the figures in good faith.

A couple of months after the campaign with Hughes still Prime Minister, but leading a National Labour Party, the Governor-General expressed his pique with whoever was complaining to the British authorities that camp conditions in Britain were below par for Australian troops stationed there. This was too much for Munro Ferguson:

> Were an average struck of the numbers of Australian Troops in contact with the enemy for all the days of the War, it would probably be found to equal less than 20,000 men.
>
> For England, Wales and Scotland the figure on a like basis must be well over half a million.[2]

By March 1917 Hughes, as a further aftermath of the conscription crisis, headed a National War Government which was a fusion of the National Labour Party and the Liberal Party.[3] Munro Ferguson complained in March that the 'insistent request for reinforcements was not being brought home to the public' as it should by the Defence Department though he acknowledged that Hughes was keeping up the

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1. Pearce to Fisher, 21 November, 1916; Fisher Papers, N.L.A., MS 2919.

2. Munro Ferguson to Hughes, 17 December, 1916; Novar Papers, MS 696/2562.

3. In November 1916 the Labour Party split on the issue of conscription although it was evident there were other basic differences. It has been contended that 'Labour blew its brains out'. Hughes and the rump of the Party which followed him formed the short-lived National Labor Party which aimed at continuing a vigorous prosecution of the War to a decisive victory. See Scott, Australia in the War, chapter X, 'Political Metamorphoses'.

pressure.[1] In April, Sir William Irvine, who, (as we have seen) was the man with the reputation for being the most influential personage in the Liberal Party, a Japanophobe, an ardent supporter of the 'White Australia' policy, a confidant of the Governor-General and a thorough-going conscriptionist challenged Hughes that unless he continued to prosecute the conscription campaign he would not be able to see his way clear to allow his name to be put forward as a Nationalist candidate at the forthcoming elections. Irvine though, assured Hughes that he acknowledged him as the 'war' leader of Australia' but to accept the adverse vote of October 1916 as final would be 'to submit to a complete abandonment of the only possible course' which would enable Australia to 'rise to her duty'.[2] Some months after the defeat of the second conscription referendum in December 1917, Munro Ferguson found other arguments for the implementation of compulsion in the Australian situation:

> Although Japan is now likely to be more occupied and committed more deeply to the cause of the Allies yet I still feel concerned (as already expressed to the Defence Minister and yourself) at the present state of our Home Defence...On a continent of three million square miles we find ourselves "economizing" on the Citizen Force which is now our sole remaining shield.[3]

Meanwhile in Britain the climate of opinion that Hughes had observed and indeed had helped to shape during his visit in the Spring and Summer of 1916 had welled up into a situation that resulted in the replacement of Asquith by Lloyd George early in December 1916.[1] The new Foreign Secretary was Arthur Balfour and the new Colonial Secretary was Walter Long.[2] Lloyd George's accession to power was a victory for those who believed in a more decisive war effort and no truck with a negotiated peace. Lloyd George lost no time in setting up the intimate War Cabinet that Hughes and others had advised. It included Lord Milner at the outset and later in 1917 Carson, the two leading politicians of the Conservative 'Ginger Group' with which Hughes had been associated on his visit to England.[3] The War Cabinet excluded all Ministers with portfolios except the Chancellor of the Exchequer, Bonar Law. Even Balfour, the new Foreign Secretary, was excluded. Indeed, foreign affairs in general were taken out of the hands of the Foreign Office once Lloyd George's Garden Suburb was set up. In this new personal secretairiat were Curtis, and Kerr, both members of the 'Round Table', and both were in the Circle of Hughes's contacts in England.

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[1] Munro Ferguson to Hughes, 24 March, 1917; Novar Papers, N.L.A., MS 696/2620.

[2] Irvine, Drouin, Victoria, to Hughes, 28 April, 1917; Hughes Papers, N.L.A., MS 1538. In the event Irvine was elected, refused a position in the Ministry but in April 1918 bowed out of Federal politics taking up the position of Chief Justice of Victoria; see Scott, Australia in the War, p.396. In the May 1917 elections Hughes scored a resounding victory, confirming his position as War leader of Australia. The electorate that had rejected compulsion now endorsed overseas military commitment.

[3] Governor-General to Hughes, 15 March, 1918; Novar Papers, N.L.A., MS 696/2702.

Hughes too, had become disenchanted with the Colonial Office and so would have approved of more direct channels of communication with those in the seat of power. But the exclusion of the Colonial Office from the War Cabinet, foreshadowed, so Walter Long argued, 'a degradation not merely for the Minister but for the Colonies'. Long pleaded that a note of explanation should be sent out, re-affirming the fact that the new War Cabinet would not in any way prejudice Dominion interests. On Long's suggestion, a regular report was instituted in which confidential news on important matters was relayed to the Dominions.[1] After some months of such communications Hughes was heartily unimpressed:

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[1] See Cameron Hazlehurst's forthcoming study, The Triumph of Lloyd George. David Lloyd George, 1863-1945. Liberal MP, 1890-1931. Chancellor of the Exchequer, 1908-15. Minister of Munitions, May 1915-July 1916. Secretary of State for War, July-December 1916. Prime Minister, December 1916-October 1922. Independent Liberal MP, 1931-45. Created Earl Lloyd-George of Dwyfor, 1945.

[2] Walter Long, (1854-1924); Conservative MP, President of Local Government Board, 1915-16; Secretary of State for Colonies, 1916-18; First Lord of Admiralty, 1919-21; Viscount Long of Wraxall, 1921.

[3] See A.M. Gollin, Proconsul in Politics, (London, 1964), 'The Monday Night Cabal', pp.323-364; also Beloff, Britain's Liberal Empire, pp.212-8 and L.S. Amery, My Political Life, vol.II, War and Peace 1914-1929, (London, 1953), pp.80-81.

[4] This innovation signals the decline of the Foreign Office in the Lloyd George era. See F. Gilbert, The Diplomats, (Princeton, 1953), chapter 1, 'The British Foreign Office from Grey to Chamberlain, pp.15-35.

> The Colonial Office...War *News* purports to contain all *the* dark and bloody mysteries known to the War Cabinet. They make this precious document secret....Nearly everything has appeared in the press days before. "The blasted Colonies want to know, you know". We'll show'em![2]

Nevertheless Leo Amery, a former associate of Hughes expected that the changes would be beneficial. He wrote almost immediately, plainly jubilant, that at last 'we have swept away altogether the old system of twenty-three men assembling without any purpose and without any idea of what they were going to talk about'.[3] Munro Ferguson though, as one might surmise from his old fashioned views on the channels of the communication question, was dubious:

> I take it that the "appreciation" written on papers printed for the War Cabinet by the new "Kindergartens" are to be taken as "premier ori" of the new Diplomacy. Amery's are

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[1] Long to Lloyd George, 7, 12 December, 1916; Lloyd George Papers, House of Lords Record Office, F/32/4/1-3.

[2] Hughes to Murdoch 3 September, 1916; Murdoch Papers, N.L.A., MS 2823/33.

[3] Amery to Hughes, 8 January, 1017; Amery Papers, cited in Gollin, *Pronçonsul in Politics*, p.393. See S. Roskill, *Hankey: man of secrets*, vol.1, (London, 1970), where Hankey accuses Amery of being the 'soul of all the horrible intrigues against the Government.' Diary, 5 May, 1916.

> good enough, but when it comes to...jeux d'esprit in serious State documents I begin to prefer "the ould way" as the Irish lady observed when the making of babies by scientific process was suggested.[1]

V THE 1917 IMPERIAL WAR CONFERENCE; THE 'SECRET TREATY OF 1917' AND THE IMPERIAL WAR CABINET.

(a) The 1917 Imperial War Conference

In December 1916 Lloyd George had announced in the Commons that the time had come to consult the Dominions on the progress and course of the War, the steps to be taken to secure victory, and War aims.[2] Thus there was at last to be a fulfilment of the pledges given early in the War that the Dominions would be consulted. Lloyd George in the War Cabinet noted that there was a fear that they might be asked to make a sacrifice of their conquests in order to make it easier for Britain to fulfil its pledges to Belgium or France.[3] It was a shrewd assessment for already there had been persistent rumours of an Austrian peace move. A few days after Lloyd George had assumed the position of Prime Minister the German Government issued its famous Peace Note. Later that month President Woodrow Wilson of the United States produced his own Peace Note addressed to the Allied Governments. These moves initiated a response by the Allies in January 1917 which was the first public pronouncement on the 'terms of settlement they meant to enforce'.[1] There was though, no specific mention of the 'Colonial Question'. The reaction to this season of peace notes was the construction of territorial and economic desiderata on the part of the various military, economic, and political departments involved. It was an opportune time to convene a conference to discuss War issues and aims. It was rather tragic or at least deplorable that the political situation in Australia was so unstable that Hughes found he could not attend. It is even more surprising to realise that Australia was unrepresented at this historic conference. Providentially it proved a temporary reverse.

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[1] Munro Ferguson to Long, 25 October, 1916; Novar Papres, N.L.A., MS 696/973-5.

[2] Lloyd George, Commons, 19 December, 1916; cited in his War Memoirs, vol. II, (Popular Edition), p.1,025: Mansergh, The Commonwealth Experience, p.172 asserts the move was taken on the advice of Milner.

[3] 20 December, 1916; CAB. 23/1/15.

This was not to be the usual Imperial conference. If it were, then Hughes had made it clear in his cable seeking clarification, he was not interested in view of the domestic political crisis.[2] Lloyd George explained that the gathering was to be in the first instance a special War Conference of the Empire. The Prime Ministers were to be invited to a series of special and continuous meetings of the War Cabinet to discuss the vital issues of the War and the question of the peace. Dominion leaders would be considered members of the War Cabinet and it was expected that if the prime minister could not attend, a Dominion would be represented by his substitute for it would be regarded as a 'serious misfortune if any Dominion were left unrepresented'.[3] Thus at last, as Amery, noted, there was to be 'consultation between the Governments, direct and on all Imperial topics' without the double filter of the Foreign and Colonial Offices; the Colonial office 'kicked hard' against it but had to be content with the responsibility of managing the plenary sessions of the less important Conference.[1]

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[1] See Lloyd George, War Memoirs, vol.II, (Popular Edition), chapter XXXIX, 'The German and Wilson Peace Notes of December 1916'; see also cables enclosing these messages from the Colonial Secretary to the Dominions; C.A.O., CRS A1108, vol.L.

[2] Argus, 29 January, 1917, where Hughes states he refrained from discussing the Conference until it was clear 'as to the precise matters with which the conference would have to deal; Hughes to Murdoch, typed copy of cable, undated; Hughes Papers, N.L.A., MS 1538, 'Conscription Cables and Correspondence'.

[3] 20 December, 1916; CAB 23/1/15.

In view of the desperate political situation in Australia Munro Ferguson threw his weight against Hughes going. For a start he had returned just months ago from England. If he was 'indispensible at Home', he was 'no less indispensible here'.[2] Hughes in reply the same day pointed out that he did not want to go in view of the circumstances and 'without being egotistical' he thought he was indispensible.[3] Writing to Murdoch in mid - January Hughes was still dubious about the nature of the Conference, for his request to place Ireland on the agenda, as an Imperial matter, was turned down[4]. This was quickly rectified as Murdoch's own cable which reached Hughes the following day detailed the precise nature of the agenda: the War including strategy; possible terms of peace in view overtures by the Central Powers; Ireland; the German Colonies. The latter question required a decision at once as Britain wanted to be able to state its position at the forthcoming Allied Conference and also it was expected the issue would figure in the diplomatic offensive with regard to the terms of peace. It was considered that Fisher or a Minister could at a pinch state the Australian case. Murdoch intimated that opinion was that the Conference would be 'little more than a cleverly controlled parade if you *(were)* unable to attend' with Smuts being 'lionized and the others weak'.[1]

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[1] L.S. Amery to Richard Jebb, MP; 27 December, 1916; Richard Jebb Papers, University of London Institute of Commonwealth Studies; see Amery, My Political Life, vol. II, p.91; Hankey, Supreme Command, vol.II, p.660 and H. Duncan Hall, The Commonwealth, chapter VI, 'The First Imperial Cabinet', pp.147-54.

[2] Governor-General to Hughes, 26 December, 1916; Hughes Papers, N.L.A., MS 950.

[3] Hughes to Munro Ferguson, 26 December, 1916; Novar Papers, N.L.A., MS 696/2 575.

[4] Hughes to Murdoch, 19 January , 1917; Murdoch Papers, N.L.A., MS 2823/33.

Right to the last Hughes had hoped for an Australian representation at the Imperial War Conference which had been held back till March. Federal Parliament was due to expire some time in 1917. Hughes held a comfortable majority in the Representatives but could not count on a majority in the Senate which proved obstructive immediately Parliament resumed in mid-February. Hughes's hopes therefore of extending the life of the Parliament till October 1918 which would have allowed Australia to be represented were thwarted by an obstructionist Senate.[2] This Parliament was dissolved in the first week in March and the men who had hoped to represent Australia on Imperial affairs were busy on the hustings fighting for political survival.[3] There was no point in expressing regrets, Hughes told the Representatives, 'that Australia was not consulted in these great matters before the war broke out and since it has raged if, now that the opportunity presented itself for Australia to be represented at this historic Conference to express an opinion on peace and war', it was not accepted with the gratitude and zeal that such an invitation deserved.[1]

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[1] Murdoch to Hughes, cable, 19 January, 1916; Hughes Papers, N.L.A. MS 1538; compare with the cable from Secretary of State for Colonies, 26 January, 1917, C.A.O., CRS 981 item 103 Old.

[2] See Scott, Australia in the War, pp.388-90.

[3] Irvine had been named as a delegate; C.P.D., vol.LXXXI, p.10554, 22 February, 1917. This would have been unusual as he was not a member of the Ministry. Sir John Forrest, the Treasurer, was the other delegate listed; Munro Ferguson to Colonial Secretary, 22 March, 1917; C.O. 418/157/23341.

If no politician was able to attend, there was Andrew Fisher ready at hand as Australia's High Commissioner. By this time Hughes had lost all confidence in Fisher's abilities and capacities. Judging from the assessment of Murdoch, Hughes's 'man' in Fleet Street, the vigorous representation that Hughes would expect could not have been provided by the ex prime minister whose lack lustre performance as a high commissioner did not inspire confidence in his potential as Australia's 'ambassador' at the Imperial War Cabinet and Conference. Nor was Munro Ferguson impressed by Fisher, for at times he had to explain to the Colonial Secretary that though Fisher could not match the brilliance of Hughes his sterling qualities warranted respect. The former Colonial Secretary Harcourt was disappointed that Cook, now the Liberal Leader in the House of Representatives in the new War Government, had announced 'that neither Sir George Reid nor Mr. Fisher could adequately represent Australia' at the Conference. In these circumstances, Harcourt commented to Munro Ferguson that it would seem that the Pacific question could not be discussed until the 'Government here is in a position to know what the final terms will be'.[2] A disappointed Walter Long informed Balfour that 'the Australian delegates will not come after all'.[3]

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[1] Hughes, C.P.D., vol.LXXXI, p.10632, 23 February, 1917.

[2] 'Loulou' to Ronald [Munro Ferguson], 14 March, 1917; Harcourt Papers, Bodleian Library, MS Harcourt dep 479, f.357.

[3] Long to Balfour, 5 March, 1917; Balfour Papers, F.O. 800/209/121.

(b) 'The Secret Treaty of 1917' and the Imperial War Cabinet.

At much the same time as Harcourt had penned these remarks the Pacific question was in the process of being well and truly decided. Unbeknown to Harcourt the Admiralty's request in 1916 for more naval assistance from Japan had been 'bought' at the price of Britain's pledge to support Japan's claim to the permanent occupation of the Islands in the north Pacific. The Japanese had noted that 'the Allies had assented to the eventual occupation of Constantinople by Russia and a special arrangement had been signed in connection with the entry of Italy into the war'. There thus did not seem to be anything unusual in the Japanese claim.[1] The Foreign Office memorandum on Greene's despatch was fatalistic but brutally realistic in its assessment:

> It has always been certain that the Japanese would claim the islands north of the Equator and Germany's rights in Shantung and if we are going to give them to her eventually we may as well do so now and get some quid pro quo.[2]

Hardinge and Balfour concurred with these sentiments.

The urgent need for more naval assistance from Japan was the underlying reason for the request for assistance by the British Admiralty. Yet the British Navy was wary of Japan's post-War aspirations in the Pacific: 'There had never been any warmth of feeling in the Navy for the Japanese as Allies,'[3] Marder observes. The King had noted in 1916 a strong anti-Japanese feeling in Britain and deplored it and 'the high handed treatment of our Allies' as evidenced by searching their ships when neither French nor Russian vessels would be searched in the quest for disguised German raiders.[1] The Australian Naval Board was distressed at the false impression created by such a respected and eminent academic as Professor Berriedale Keith, lately of the Colonial Office, in his recently published book on Imperial Unity and the Dominions:

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[1] Green to Balfour, 27 January, 1917; F.O. 371/2950/22099.

[2] J.D. Gregory, memorandum, 29 January, 1917; minutes by Hardinge and Balfour appended; F.O. 371/2950/22137.

[3] See Marder, From Dreadnought to Scapa Flow, vol.III, p.203.

> The much dreaded Japanese undertook much of the important work of the protection of the Pacific against the German Squadron....It may be hoped that the co-operation in this naval action may serve in some degree to mitigate the unreasoning attitude of Australia towards the Empire of Japan.

The Naval Board informed the Prime Minister that while not wishing to deprecate the value of Japan's naval services such articles 'may easily prejudice British readers against Australia and destroy the credit of the Australian Navy'.[2] The Admiralty wanted two Japanese light cruisers for the Cape and a flotilla of destroyers sent to the Mediterranean to operate against raiders, submarines, and to escort convoys. These Japanese vessels were currently engaged in routine tasks in Pacific waters and were therefore considered quite under-employed.[3]

The Foreign Office in its review of the situation created by the Japanese request was guided by the Report of

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[1] Stamfordham to Sir Arthur Nicolson, 18 March, 1916; Nicolson Papers, F.O. 800/38/285. Hardinge took over the Foreign Office late in June 1916; see Hardinge, Old Diplomacy, p.200.

[2] Naval Secretary, for the Naval Board to the Prime Minister, 22 November, 1916; C.A.O., CRS A981, item Japan 53, 'Japan: Services in the War , Naval and Military'. This Memorandum cited Keith's book.

[3] Admiralty to the Foreign Office, 18 December, 1916; F.O. 371/690/256472. Greene suggested paying the fuel expenses involved!

Sir Louis Mallet's committee on territorial desiderata which had been inspired rather by the German Peace Notes. It was recommended that 'the Japanese should not be disturbed in the possession of those islands which they have occupied'.[1] The Colonial Office memorandum, attached, considered there was no point in pursuing a commercial agreement at this time as nothing had come of the discussions of June 1916 between Hughes and the Japanese Ambassador, but the reluctance of the Australians was understandable in view of the policy the Japanese appeared to be pursuing in the Pacific and specific mention was made to the obstacles placed in the way of Burns Philp in the Marshall Islands.[2] Hardinge concurred with these findings so the Colonial Secretary was requested to sound out the Australasians. The War Cabinet instructed Long to send a cable along the lines that already have been indicated. Stress was to be laid on the fact that the suddenness and necessity for a speedy response by cable on such a matter was unfortunate but was forced on them by the urgency of the Admiralty's needs no less than the insistence by the Japanese for pledges with respect to the Islands.[3] Drummond and Balfour thought that the value of Japanese assistance in the War could have been worded more strongly in Long's cable and regretted that it was not possible to alter it.[4] The same

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1. There had been protracted negotiations throughout 1916 for this assistance; see the minutes on 'Japanese Naval Assistance', 19 December, 1916 Ibid.

2. Mallet, 'Interim Report of the Sub-Committee on Territorial Changes', 25 January, 1917; CAB 24/3/118; includes Colonial Office memorandum, 16 October, 1916.

3. CAB 23/1/51, deliberations of 1 February, 1917; Appendix I, Paraphrase Telegram, Secretary of State for Colonies to Governor-General of Commonwealth, 1 February, 1917; also in C.A.O. AA63/48, item J2/3/2.

4. E. Drummond, Foreign Office, to Balfour, 2 February, 1917; Drummond Papers, F.O., 800/384/57.

day Ambassador Chinda in London informed Balfour that Japan would agree to make available the necessary naval assistance;[1] this assurance was given before Britain's response was known but there can be little doubt the Japanese were confident Britain would not refuse.[2] Ambassador Chinda also presented memoranda on Shantung and the German South Pacific Islands outlining the Japanese case from 1914. Thus the latter memorandum stated that as early as November 1914 Prime Minister Kato had indicated Japan expected to retain the Islands and in 1916 on two occasions Hughes by implication had 'acquiesced' and stated that the course suggested...was quite fair and equitable and he had himself no objection thereto'.[3]

The Colonial Secretary did follow up Balfour's suggestion that a more strongly worded appreciation of Japan's services in the War should be placed before the Australians. Long took the opportunity also of pointing out that an unfavourable reply could have an 'unfortunate effect on the general course of the war'.[4] The pressure on Hughes to accede had been intensified. In this first week of February he was still immersed in the problem of formulating his new War Government when he was confronted with the Colonial Secretary's cables. Within two days he had framed his response which was relayed by the Governor-General:

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[1] Greene to Balfour, 2 February, 1917; F.O. 371/2950/27203.

[2] See Nish, Alliance in Decline, chapter XI, 'The Anglo-Japanese Secret Agreement 1917', pp.196-211.

[3] Chinda, memorandum, 2 February, 1917; F.O. 371/2950/26707.

[4] Secretary of State for Colonies to Governor-General, enclosing message for the Prime Minister, 5 February, 1917, Hughes Papers, N.L.A., MS 950/3/40; C.A.O., CRS 981 item Marshall and Caroline Islands 2.

> ...As explained by Prime Minister when in London attitude of Australia is broadly speaking that Australia would not object to Japan's occupancy of islands in Pacific north of equator except one or two small ones on or near the border line of which Ocean Island and Nauru are typical. Commonwealth Government will carefully abstain from saying or doing anything likely to strain or make difficult the relations between His Majesty's Government and Japan either in regard to trade or any other matter.
>
> In the event of the Prime Minister attending the War Conference he will lay before you the views of the Commonwealth Government on this matter at length.[1]

The Foreign Office did not accept this as a suitable reply to their request; commenting that the Australian Government did not seem to understand the 'urgency of a decision', Long sent a further message. This one could hardly be misunderstood:

> If his Majesty's Government find it impossible to defer question till conference, may I take it that your Government agree to His Majesty's Government giving some such pledge as is referred to in my telegram of 1st February?[2]

The laconic reply came back: 'No objection giving some such pledge to Japan'.[3] This surely was grudging acquiescence, more or less under duress; none the less it was given and Lloyd George in November 1918 held Hughes to it. He held that Britain's pledge to the Japanese was inviolable. Hughes from this point turned to the United States, in his attempts to find a solution to the Pacific Question. Somehow, he felt, in co-operation with the United States the problem of these islands could be solved even though the Japanese currently were in occupation. Perhaps the card to play was United States's opposition to Japanese expansion into the south Pacific. This was to come later but does appear to have been in Hughes's mind by 1918.

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[1] Governor-General to Secretary of State for Colonies, 7 February, 1917; F.O., 371/2950/30905.

[2] Long to Governor-General, 8 February, 1917; Ibid., with minute by J.D. Gregory, same date.

[3] Governor-General to Colonial Secretary, cable 9 February, 1917; C.A.O., AA63/48, item J2/3/2.

Publicly, Walter Long announced that the German Colonies would never be returned to Germany.[1] This was a wonderful reassurance to Pacific Dominions that were visibly nervous on the issue. Canadians and New Zealanders had recently expressed concern over the fate of the Islands. Long reported to the War Cabinet that the Canadians feared German wireless stations and submarine bases were the Islands returned to them. And later, in the Imperial War Cabinet, it was noticed that Sir Robert Borden 'expressed even more strongly than the other representatives' opposition to 'any arrangement that would involve Japanese aggrandisement'.[2] There were also surprisingly forthright public statements by New Zealand statesmen which Munro Ferguson found alarming. Mr. Massey, the Prime Minister, he informed Long, had announced the intention of retaining German Samoa and 'asserting the conviction that Australia was like-minded with regard to her occupation of the Islands'. At this juncture, the Governor-General considered such statements must serve to 'stimulate Japan's activities in the Pacific'.[3] Bertie at Paris informed Balfour that the French recognized that there could be 'no question of retroceding to Germany what had been conquered' by the Dominions.[4]

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1. Reported in the Argus, 3 February, 1917.

2. Walter Long, 2 January, 1917, CAB 23/5/311; and again, 16 October, 1917; CAB 23/1/250.

3. Governor-General to Secretary of State for Colonies, 2 February, 1917; Hughes Papers, N.L.A., MS 950/3/40.

4. Bertie to Balfour, 28 February, 1917; Balfour Papers, F.O. 800/201/380-1.

There was then a unanimous chorus on the part of the Dominions and an Anglo-French accord on the colonial question at this time on this point. German peace feelers regardless, the Allies would not budge.

The War Cabinet had considered the reaction of the United States during the discussions on the Japanese request for it was known that they would not favour any territorial expansion by Japan into the Pacific. Ambassador Spring-Rice's correspondence with Balfour was full of the reservations held by Americans on this subject.[1] Thus the War Cabinet decided that in view of the imminent entry of the United States into the War it was propitious to conclude negotiations so as to avoid the complications that would necessarily arise by the involvement of another Power in the matter.[2] The decision to grant a pledge to the Japanese was all but unanimous, Curzon only dissenting on the grounds, it would seem, that the Japanese were getting off lightly. Apart from expecting the Japanese to support Britain's case on the South Pacific Islands at the Peace Conference, Curzon held that Japan should support '*our general policy elsewhere*', a point which the Cabinet had discounted as being unreasonable.[3]

This 'secret treaty' of February 1917 was the last to be concluded during the course of the War. On 7 April President Wilson signed the proclamation that formally declared that a state of war had been 'thrust upon the United

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[1] Correspondence of Sir Cecil Spring-Rice to Balfour, 29 December, 1916; 11 January 16, 23 February and 9 March, 1917; Balfour Papers, B.M. Add MS 49740, ff.35-105.

[2] 5 February, 1917 CAB 23/1/54.

[3] 14 February, 1917; CAB 23/1/65; see also Curzon's foot-note of 10 November, 1920, in *D.B.F.P.*, I, (xiv), no.167. My emphasis.

States'. Months earlier Wilson had called on the belligerents to declare their terms of peace in his famous 'peace note'. He followed up this unsuccessful appeal in January 1917 with his more famous (or infamous) call for 'peace without victory'. He proposed government by the consent of the governed, freedom of the seas, and moderation in armaments. Yet in the same speech he could invoke the Monroe Doctrine as 'the doctrine of the world', presumably meaning in this context the right of the small nations to exist free from the interference of the Great Powers. There was thus the implied denunciation of annexations and 'secret treaties', and 'secret covenants' covertly negotiated whose condemnation was enshrined in his historic 'Fourteen Points' of January 1918.[1]

Consequent upon the entry of the United States into the War, Arthur Balfour as Foreign Secretary, met with Wilson, Colonel House, his confidant and alter ego, and the Secretary of State for Foreign Affairs, Robert Lansing. As Balfour wrote after the War in a justification of his action, he showed President Wilson, confidentially, the terms of the agreement with the Japanese and the other secret agreements and 'talked with him quite frankly about any and every question which I supposed our two countries were interested'.[2] Lloyd George refers to Balfour's mission in his War Memoirs and has pointed out that Colonel House freely acknowledged that Wilson was informed by Balfour of the arrangements. Yet

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[1] See Arthur Walworth, Woodrow Wilson, (Baltimore 1965), for Wilson's 22 January, 1917 address; pp.79-80; see Lloyd George, War Memoirs, vol. I, chapter LIV, 'America Enters the War'.

[2] Balfour, Whittinghame, holograph memorandum for Curzon, 14 October, 1919; B.M. Add Ms 49740, ff. 186-92.

Wilson in his evidence before the Foreign Relations Committee of the Senate in August 1919 denied knowledge of the arrangements in 1917 for '"the whole series of understandings were disclosed to me for the first time when I arrived in Paris for the Peace Conference."'. Lloyd George made allowance for this 'palpable misrepresentation' of the facts, for Wilson was on the verge of his tragic breakdown.[1] Lansing at the same hearings on the other hand, while affirming that Balfour, Ishii, and Lord Reading, all kept silent on the arrangement stated that 'he did know three years ago that Britain and Japan agreed to divide the Pacific Islands taken from Germany'.[2] This also was the source of the evidence for the Australian criticisms of Hughes's involvement in the affair. As a post-script to these comments on Wilson, it is surprising to note that Munro Ferguson in January 1917 was furnished with an intimate description of Wilson by his great opponent; Theodore Roosevelt who considered that:

> Our pacifists have consistently played the game of the German militarist. Wilson's peace note was part of this game. He is a very clever, quite consciousless, and thoroughly obnoxious, demagogue, whose physical timidity is offset by his unscrupulous adroitness. He is immensely admired by the British pacifists....[3]

The British General Staff even as late as September 1916 argued that it would be pointless, if the situation arose, to expend lives needlessly 'for the sake of some African territory'; thus a German request 'for the restoration of a portion of her colonies' should not be met by 'a direct non possimus'. General Sir William Robertson, the Chief of the General Staff recognized though, that the Dominions and Japan were unlikely to relinquish their hold on the islands which they had occupied.[1] The Foreign Office refuted such arguments pointing out that the 'bargain' envisaged by the Military would tend to undermine Britain's world empire: 'We cannot allow any nation to share our supremacy at sea: our geographical position alone obliges us to claim this monopoly'.[2] The comprehensive Inter-Departmental Committee's Report, chaired also by Mallet confirmed this position.[3]

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[1] Lloyd George, citing President Wilson's evidence on 19 August, 1919; War Memoirs, vol.I, (Popular Edition), pp.990-1000; see also, Blanche Dugdale, Balfour's niece, in Arthur Balfour, (London, 1936), vol.II, pp.209-10.

[2] A Reuter's report, Washington, 11 August, 1919; cited in the (Melbourne) Herald, 12 August, 1919. See Lansing, War Memoirs of Robert Lansing, (London, 1935) which confirms these assertions and revelations.

[3] Theodore Roosevelt to Munro Ferguson, 17 January, 1917; Novar Papers, MS 696/4974-7.

The Colonial Office in preparing its own reports for the Imperial War Conference breathed a sigh of relief, at the conclusion of the Anglo-Japanese Agreement for it had been faced with the task of compiling a full despatch explaining the situation to the Australians.[4] The Imperial War Cabinet thus had before it when it met in March and April 1917[5] the Report of the Mallet Committee and the terms of the Anglo-Japanese Agreement. These were discussed on 17 April and both were warmly approved. It was noted that the Australian

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1. Robertson, Memorandum, 31 August, 1916, CAB 29/1/3; memorandum, general staff, 9 September, 1916, CAB 16/36.

2. Sir Louis Mallet, chairman, memorandum, 'Views of the Foreign Office Representatives on the Question of the Retention of the German Colonies', 21 January, 1917; CAB 16/36.

3. Mallet, 'Interim Report of the Sub-Committee on Territorial Changes', 25 January, 1917, CAB 24/3/118; Colonial Office memoranda, various dates.

4. Lambert, minute, 15 February, 1917; C.O. 537/987.

5. Last session of the War Cabinet was 2 May, 1917.

and New Zealand Governments had assented to the Agreement with Japan. Massey of New Zealand ventured to suggest that Japan had '"played the game" generally speaking' but Australia and New Zealand wished to be re-assured concerning the islands south of the Equator both from a defence viewpoint and in view of their 'considerable economic importance'.[1] Balfour already had addressed the Dominion leaders on the role of Japan in the War in his wide ranging and discursive speech on War aims:

> ...there is in every quarter of the Eastern world a certain uneasiness as to whether Japan is in the future going to try to play the part in those regions which Prussia has played in Europe; whether she is not going to aim at some kind of domination...

Balfour supported Lord Grey's view that if the Japanese were excluded from North America, Canada, Australia, New Zealand and the south Pacific Islands then 'you do not forbid her to expand into China'. Even though the Germans had planned to detach Japan from the Allies, he believed Japan would, during the War, remain loyal and he was not one to under-rate her services to the Allies.[2] As one of the originators of the Anglo-Japanese Alliance of 1902 Balfour retained not only a sentimental attachment to it but a firm belief that for this War the Japanese card was vital. Lloyd George in his statement on War Aims also touched a sensitive spot pointing out that the Colonial Question should be treated from an Imperial viewpoint and as part of the whole problem of a world settlement and not just from a local interest. He indicated too that in the event of an inconclusive military

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1. Minutes of the Committee of the Imperial War Cabinet on Territorial Desiderata, 17 April, 1917; Hughes Papers, N.L.A., MS 1538.

2. Balfour, Imperial War Cabinet, procés verbaux, 22 March, 1917; CAB 12/43.

result then 'we could not expect our Allies to bear their share of the sacrifice while we were enjoying practically the whole of the advantage'.[1] The final meeting on the terms of peace, however, chaired by Curzon, resolved that in the event of an inconclusive termination of the War necessitating the restoration of some part of Germany's 'lost territories' there would be no restoration of Pacific territories.[2] Lloyd George recollected that this was the first time the British Government officially, had given any indication that 'as a condition of the peace it meant to retain its conquests in the German Colonial Empire'.[3]

Lord Milner, as one might expect, chaired the Committee on Economic and Non-Territorial Desiderata. It was considered that the Paris Resolutions 'do not under the present circumstances provide any stable basis for the guidance of the British Government' with respect to the negotiations for peace. The entry of the United States had added a 'new and doubtful element' in this area but the general policy of Paris in denying most-favoured-nation status to the enemy Powers and in seeking to secure economic self-sufficiency were commended.[4] Thus the following day at the Conference, Sir Robert Borden enthusiastically endorsed the call to develop imperial raw materials, resources, and manufactures so that the Empire would be self-sufficient. Further, the Conference resolved to take action, each nation individually and freely, to prevent 'dumping' by enemy

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[1] Lloyd George, address to Imperial War Cabinet, 20 March, 1917; cited in his War Memoirs vol.I, (Popular Edition), pp.1047-57.

[2] Report of the Committee on Terms of Peace, 28 April, 1917; CAB 29/1/15.

[3] Lloyd George, War Memoirs, vol.I p.1037.

[4] Report of the Committee; 24 April, 1917; CAB 29/1/15; see also Lloyd George, War Memoirs, vol.I, pp.1066-7.

Powers in the transitory period after the War.[1] Massey who was the author of this resolution also successfully moved that the Empire adopt through its tariffs a system of 'Imperial preference'.

In Lloyd George's recollections of the Conference and especially the inauguration of the Imperial War Cabinet he paid tribute to the useful and in fact 'invaluable work' laid down by Hughes in 1916.[2] So successful was the 'experiment' as Amery described it in his letter to Hughes afterwards, the question of its perpetuation was mooted. Borden's suggestion of an annual meeting of Prime Ministers in the end prevailed.[3]

Two matters in external relations that preoccupied Hughes throughout this difficult year of 1917 were Ireland and 'Russia', both of which affected the domestic scene with respect to the May general elections, the second conscription referendum and attitudes to the war effort. On Ireland, Hughes advocated 'Home rule'. As for Russia, Hughes was thoroughly opposed to the seditious brood of 'Bolshevism', Syndicalism, the I.W.W. and pacifism.

Hughes persistently pleaded with Lloyd George to solve the Irish issue in the interests of the Empire, the general war effort and of course in the interests of Australia which peculiarly was affected by the issue. The fact was, he informed Lloyd George, 'the Irish Party here represents 25% of the total population' and 'form the bulk of the Labour

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[1] Verbal Proceedings, Imperial War Conference, 25 April, 1917; C.A.O. CRS A1108, vol. XXXVII.

[2] Lloyd George, War Memoirs, vol.I, p.1035.

[3] Amery to Hughes, 9 May, 1917; Amery Papers, cited in Gollin, Proconsul in Politics, p.397.

Party'. Thus Ireland and 'Russia' were linked in Australia providing a doubly explosive issue.[1] Hughes saw the Irish issue at the 'bottom of all our difficulties here'. The Irish 'had captured the political machinery of the Labor organizations - associated by the syndicalists and I.W.W. people.'[2] Even though Munro Ferguson thought Hughes overestimated the benefits accruing from the pacification of the Irish,[3] J.H. Davies, Lloyd George's secretary, along with others, considered that Hughes's presence in the United Kingdom during the Imperial War Conference would create a climate favourable to Home Rule and surely strengthen the hand of Lloyd George.[4]

Hughes vigorously opposed any British representation at the Convention of Socialists held at Stockholm in mid-1917. A British representation, he informed the Prime Minister, actually would 'hamper the allies in the prosecution of the war and in deciding the terms of peace'. Strong words but he concluded with an even stronger plea:

> ...French regard this conference at which peace cranks of all countries including British and secret agents of Germany masquerading as pacifists and friends of labor will be gathered together as a cunning trap set to catch loyal labour representatives and through them organized labour now supporting the war...[5]

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[1] P.H. Kerr to Lloyd George enclosing cable from Hughes, 13 January, 1917; Lloyd George Papers, House of Lords Record Office, MS F/89/1/1.

[2] Hughes to Lloyd George, secret, 'for Himself', 17 August, 1917, Ibid., MS F/28/2/3. It is not inappropriate to note at this point that Hughes was having trouble with Adela Pankhurst who was 'making herself a d--d nuisance and I really don't know what to do with the little devil. I hate punishing women: I fear I shall have to deport her'; Hughes to Murdoch, 3 September, 1917; Murdoch Papers, N.L.A., MS 2823/33.

[3] Munro Ferguson to Long, 4 January, 1917; Novar Papers, N.L.A., MS 696/264.

[4] Diary, week of 26 February to 1 March, 1917; J. Wilson (ed). The Political Diaries of C.P. Scott, (London 1970), p.264.

[5] Governor-General to Colonial Secretary, enclosing cable from Prime Minister, 10 August, 1917; Lloyd George Papers, House of Lords Record Office, MS F/32/4/94.

Thus when Lloyd George 'knocked the Stockholm conference on the head', Hughes was ready to applaud his action. Arthur Henderson, the British Labour M.P. who resigned over the issue was, so Hughes wrote, 'a weakling'[1] and Lloyd George was 'well rid of him.'[2]

VI THE COLONIAL QUESTION AND WAR AIMS, 1918

Lloyd George's great 'war aims' speech delivered to the Trade Union Congress at the Caxton Hall on 5 January, 1918 touched on the Colonial Question. A draft of his speed had been submitted to War Cabinet, to Mr. Albert Thomas, the French Minister for Munitions and Leader of the Socialists, and to Asquith and Grey the leaders of the Opposition Liberals. It thus could be said to represent British war aims.[3] Lloyd George denied the German claim that their colonies had demonstrated that, by taking up arms for the Central Powers, they wished to remain within the German Empire: 'The German treatment of their native populations in their Colonies has been such as amply to justify their fear of submitting the future of these colonies to the wishes of the natives themselves'. He declared the intention of the Allies to respect the wishes and interests of the natives. The principle of national self-determination would be applied in their cases as in those of occupied European territories.[4]

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[1] Hughes to Murdoch, 3 September, 1917; Murdoch Papers, N.L.A., MS 2823/33.

[2] Hughes to Lloyd George, 17 August, 1917; Lloyd George Papers, House of Lords Record Office, MS F/28/2/2.

[3] War Aims discussion, 4 January, 1918; CAB 23/5/314.

[4] Lloyd George, 5 January, 1918; War Memoirs; (Popular Edition) vol.II, p.1515.

The Foreign Secretary, Balfour, as early as 1916, admitted that he originally had viewed the prospect of Britain acquiring more territory with apprehension but on reflection, as was his custom, he now firmly believed Germany should not retain any of her overseas possessions.[1] George Fiddes, Permanent Head of the Colonial Office, in 1917 had advised that if the German Colonies were returned 'in the absence of proved necessity, the Dominions would never forgive Great Britain for a sacrifice which was even suspected of being a weak-kneed surrender to sentimentalists'.[2]

In 1918 Long referred to the remarks of the New Zealand statesmen who had reported to their parliament on the Imperial War Cabinet.[3] Louis Botha, Prime Minister of South Africa, by 1918 had submitted a memorandum advocating the annexation of German South West Africa, 'not on the basis of military ambition, or megalomania or land hunger' but on the general grounds of security and freedom from intrigue.[4] The Australians, for their part, grudgingly had acquiesced to Japan's retention of the Islands north of the Equator, and now faced the prospect of uncertainty on the future of the Islands that they now occupied.

The Chief of the General Staff of the Australian Army, Brigadier General Hubert Foster,[5] in 1917 considered the north Pacific Islands did not constitute a military threat to Australia but regarded the retention of the Islands south of the Line 'decidedly desirable'.[1] Hughes himself in August must have felt anxious as a result of the Anglo-Japanese Agreement of February to which he had so unwillingly assented for he prepared and signed a note to the Colonial Secretary setting out that Australian Ministers 'now desire to emphasise their view' that the Islands should not be returned to Germany 'nor handed over to any foreign power'. The letter was never sent[2] but the fear of the Islands being used as pawns in some European settlement was there.

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[1] Balfour, War Committee Minutes, 1 August, 1916; CAB 42/17/1.

[2] G. Fiddes, 'The Future of the German Colonies', 14 November, 1917 CAB 24/37/1.

[3] Appendix, Ibid; circulated for War Cabinet, 2 January, 1918; Speeches by W.F. Massey the Conservative Prime Minister and Sir J.G. Ward, Leader of the Coalition Liberals.

[4] Botha, Memorandum, signed on behalf of Ministers, 26 March, 1918; CAB 532/110.

[5] Legge was now on active service; he returned in October 1917.

There were grounds for such fears as Long's letter to Munro Ferguson would indicate. Written the same day as the War Cabinet meeting that discussed the draft of Lloyd George's speech, Long pointed out the divergence of opinion between the Allies on the question of the right of a population to determine its future and the application of this doctrine to the German Colonies. He therefore counselled the Australians to secure expressions of opinion on 'the anxiety of natives of German New Guinea to live under British rule.'[3] This message was repeated to all the Governors-General and within days each had informed the Colonial Secretary, all agreeing that the primitive level of civilization of the natives would make a plebiscite not only meaningless but incongruous.[1]

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[1] Foster, Memorandum 'German Possessions in the Pacific, Dept., of Defence, 23 May, 1917; C.A.O., AA 63/48, item J2/3/2.

[2] W.M. Hughes, typed and signed, to Governor-General for transmission to the Colonial Secretary, 13 August, 1917; C.A.O., CRS A981, item Marshall and Caroline Islands 2.

[3] Long to Governor-General, secret, telegram, 4 January, 1918; C.A.O., CP 447/3. S.C.12.

Hughes submitted the matter to Cook, the Navy Minister, and to Pearce for the Defence Department to take up the matter with the Administrator of the Territory of New Guinea. Lieutenant-Commander Latham[2], of Naval Intelligence, took a special interest in the subject and his recommendations were adopted[3], being endorsed by Thring and Creswell. Latham noted the recent pronouncements of Lloyd George, Wilson, and the Pope. Thus Australia should adopt a definite policy based on the general interest of the natives, that is, 'by considerations which might be described as sentimental as well as by the direct and obvious European interests'. On the latter point Latham emphasised that the promotion of Australian commercial and economic interests was highly desirable for if, after several years of Australian occupation, German interests were almost as great as before the war, then clearly the Australian case would be weakened. In March 1918 Latham urgently minuted that the information would be of maximum value in view of the pending Imperial Conference for the use of the Prime Minister. Commander Thring, Head of the Naval Intelligence Section[4], minuted that 'up to 1884 Bismarck had assured England that Germany had no designs in the Pacific'. By 1886 they had annexed German New Guinea. Now that the Colonies were in British hands 'an opportunity offers, probably for the last time, of correcting the mistakes of the '80s.'[1]

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[1] Governor-General of Australia to Colonial Secretary, 7 January, 1918; Lord Buxton and Liverpool to Long, 10 January, 1918; copies in C.A.O., CP 447/3, S.C.12.

[2] J.G. Latham, (1877-1964); 1904 called to the Bar; lecturer in Logic and Philosophy, Melbourne University; 1917, Lieutenant-Commander in Naval Intelligence; with the Minister for Navy at Paris Peace Conference; an assistant-secretary to the B.E.D.; British secretary to Inter-Allied Commission on Czechozlovak affairs; acted on economic and other committees including the committee to settle the terms of peace in respect to German Colonies; C.M.G., 1920; K.C. 1922. Attorney-General, 1925-29 and 1932-4; Minister for External Affairs, 1932-34; Chief Justice of High Court, 1935.

[3] Hughes to Cook, 19 March, 1918; Latham to First Naval Member, 16 January, 1918; C.A.O., (Melbourne), MP1049/1.

[4] W.H.C.S. Thring, (1873-1949); Director of Australian Naval War Staff; handled all matters connected with naval operations; order of Rising Sun of Japan, 1920.

We should now turn to Hughes's second venture overseas in his quest for the security of Australia in the Pacific. Thring could be assured that Hughes was out to correct the 'mistakes of the '80s.'

VII HUGHES IN NEW YORK: THE AUSTRALIAN MONROE DOCTRINE FOR THE SOUTH PACIFIC: 'HANDS OFF THE PACIFIC.'

In June 1918 Hughes's deliberate public espousal in New York of an Australian Monroe Doctrine for the South Pacific[2] was both the climax of a long, guarded, war-time vigil on Pacific affairs and also the launching of his campaign for the post-war defence of Australia. Yet he had to survive what was virtually a censure motion as to his fitness to represent the Australian public opinion overseas. The basis of the charge against him was that his War-time policy had been repudiated by two referenda defeats on conscription. Moreover, incredibly, the 'Prime Minister's speeches at and in relation to the Paris Conference' would result in the prolongation of the war.[3] The censure was a token gesture by the Opposition Labour Party, to register their rejection of the 'hard' line which they believed Hughes represented. While on the high seas, heading for the United States, Hughes was informed of the defeat of the charge on party lines, and since Hughes had won the last election in May 1917 by an overwhelming majority, his fitness to represent the country on the basis of a popular vote was clearly sustained.[1]

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[1] Latham to Creswell, First Naval Member, Memorandum, 'Former German Colonies in the Pacific', 16 January, 1918; minute by Thring, 5 February, Latham, minute, 26 March, 1918; Ibid.

[2] Address to Pilgrims' Society, New York, typed draft, June, 1918; Hughes Papers, N.L.A., MS 1538. See reports in Argus, 1 June and 13 July, 1918 and Christian Science Monitor, 1 June, 1918, Garran Papers, C.A.O., CP 351/1/7.

[3] C.P.D., vol.LXXXIV, 24 April, 1918; p.4100, ff.

Hughes himself, however, felt that his absence from the 1917 Imperial War Conference had blotted his record. Keith Murdoch informed him as much in July 1917 but urged him nevertheless to visit Britain again as soon as possible to ensure attendance at the Peace Conference. Murdoch informed him that:

> your personal hold on this country lost a bit through your non-attendance at the Imperial War Cabinet, whilst the high opinion of Lloyd George, Law, Milner, and Long, and the inner group, became distinctly cooler as these men felt that you had not made full efforts to have Australia represented.[2]

Hughes realized he would not be 'received with open arms' but 'given health and opportunity' he felt he could 'do something and I hope and believe that Lloyd George is not unfriendly towards me.' Murdoch hastened to re-assure a somewhat crestfallen Hughes that despite his previous remarks he would receive 'a fine reception here at any time'.[3] In fact Murdoch had seen Lloyd George the previous week who had 'assured me that he has as great regard for you as ever'.[4] He advised him to come over by way of the United States for a strong British protagonist was required there to counteract the 'pro-Germans' with whom Wilson had to contend. Northcliffe himself devoted much space in his press cultivating American sentiment and neutralising these German sympathies. The Americans, he believed, were ignorant of British war aims and 'you will have trouble with Wilson over the German Pacific islands if there is no propaganda'.[1] Hughes should be prepared to conduct lecture tours, publicise, and begin a trade revival, so as 'to get U.S.A. near to Australian views and sympathies, especially to the right views about German New Guinea spread in America'.[2]

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[1] J.A. Watt, Acting Prime Minister to Prime Minister, 27 April, 1918; C.A.O., CP 360/8/1 and Munro Ferguson, Governor-General, to Colonial Secretary, Walter Long, May 1918; Novar Papers, N.L.A., MS 696/1021-2.

[2] Murdoch to Hughes, 14 July, 1917; Murdoch Papers, N.L.A., MS 2823/33.

[3] Hughes to Murdoch, 3 September, 1917; Ibid. This was the second letter Hughes wrote on this day.

[4] Murdoch to Hughes, 23 December, 1917; Ibid.

Hughes had his arrangements in hand. He let Murdoch know that he had cabled the Colonial Secretary informing him that he could attend the Imperial War Conference and Cabinet in July 'but hardly before' and that 'I am quite willing to speak to U.S.A. enroute'.[3] There was ~~an~~ almost filial regard for each other as their correspondence reveals. He acted as Hughes's public relations officer and had already made his name as an intriguer at high levels over the Gallipoli affair. He was most active in Hughes's interests for the forthcoming expedition. As well as warning him of the views of the Morning Post, 'bitter anti-Lloyd-Georgeisim', he informed his mentor:

> I have been labouring a good deal in your interests, without showing myself much...I leap into print whenever possible to put things right for you...

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[1] 22 November, 1917, Ibid.

[2] Murdoch to Hughes, n.d., but January 1918; Hughes paper, N.L.A., MS 1538.

[3] Hughes to Murdoch, 31 January, 1918; Murdoch Papers, N.L.A., MS 2823/33.

> whenever anything should be done for Australia here, I have to do it, without reward or recognition, simply because no one else would do it.[1]

Murdoch in his over-zealous attempts to rearrange matters to suit Hughes's travel plans admitted he had upset the Colonial Office, the Admiralty and even the Prime Minister's Department, but to no avail.[2] As Field Marshall Sir William Birdwood noted:

> Murdoch with all his qualities is one of those curious people who think that the interests of Australia can be safeguarded only by blatant aggressiveness and he is always wishing me and others to be on our hind legs with the commander-in-chief or the War Office to represent what he considers the want of recognition of the Australian Force...I find that by quietly and temperately representing any matter which affects our interests we have been able to get practically everything we wanted done for our force...[3]

Lord Reading, the British Ambassador at Washington was apprised of the general nature of Hughes's visit by the Colonial Secretary:

> Hughes is very anxious to have a talk with the President to discuss various matters relating to the Pacific before he comes over here for the Imperial Conference. We have no possible objection to this and hope you will be able to arrange an interview.[4]

The Colonial Secretary had been advised well before, of Hughes's probable intentions, the Governor-General detailing the specific objects which the Australian Prime Minister really had in mind:

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1. Murdoch to Hughes n.d., but clearly mid-January, 1918, Hughes Papers, N.L.A., MS 1538.

2. Murdoch to Hughes, 3 May, 1918, Hughes Papers, Ibid.

3. Birdwood to Munro Ferguson, Australian Corps, British Expeditionary Force, France, 27 May, 1918; Novar Papers, N.L.A., MS 696/3306.

4. Telegram to Lord Reading, 23 May, 1918; Lloyd George Papers, House of Lords Record Office, MS F/60/2/64.

> He *(Hughes)* is most anxious to see President Wilson in order to persuade him that the Democracies of the Pacific must stand by one another, for that if England be open to suspicion of desire to grab further Possessions - U.S. and Australia are quite above that sort of thing etc.etc. This is no doubt the camouflage under cover of which he hopes that a transfer of German Possessions to the British Flag might more readily be acquiesced in by U.S.[1]

Although of the opinion that Hughes would 'have a good effect in America', Munro Ferguson, the diplomatic representative in Australia of Her Majesty's Government, forecast that Hughes might seek definite arrangements with the Americans to the detriment of Imperial relations:

> I felt confident he *(Hughes)* would not pass through the United States without seeing the President. Not merely to re-establish his personal position but because he wishes to obtain through his persuasive influence the support of America to the "White Australia" Policy and to a restriction of Japanese activity south of the equator. I believe Mr. Hughes to be animated by a real Imperial patriotism, but I am not without fear lest in his zeal for Australia's safety he be inclined to turn to America and seek a very close and direct understanding with her.[2]

Hughes therefore chose, in the land where the Monroe Doctrine originally was enunciated, to call on the United States 'to redress the balance of the old' in the Pacific. For Hughes, an ardent advocate of the British Empire, it was a significant initiative. Ever a realist, and possessing a certain prescience in these matters concerning the defence of the Australian continent he welcomed the co-operation and aid of the United States in a policy that called for the expulsion and exclusion of all Powers with 'predatory designs' in the region. On the face of it this meant Germany but for those who knew his innermost convictions it also meant the Japanese who, at any rate, if one can judge from their press reports of his speeches, were well aware of the implications of his proclamations.

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[1] Munro Ferguson to Long, personal, 1 April, 1918; Novar Papers, N.L.A., MS 696/1021-2.

[2] Munro Ferguson to Long, personal, 5 June, 1918, Novar Papers, N.L.A., MS 696/1040.

Hughes had set himself a formidable task when he decided to consult President Woodrow Wilson[1] for he well knew the President's philosophy of 'no annexations and no indemnities' with respect to the terms of a peace with the Germans. And so at a time when it was far from clear that the Allies would be able to dictate terms he broached the subject of the retention of the German islands to the north of Australia by the British Empire or friendly Powers. One cannot fault his plan to approach the President in private consultation so as to impress upon him the absolute importance of the Islands for Australia's security and interests. As Lord Reading reported to Balfour and Long, Hughes emphasised that Australia had no imperialistic designs but 'if Germany with her predatory designs held any of these Islands' Australia's security would be prejudiced.[2] Whatever were Hughes's expectations of his interview with Wilson, it appeared fruitless, but, as he recorded years later:

> *(I)* was in no way prepared for the President's silence *(which)* had so depressing an effect upon me that my powers of speech withered and died.[3]

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[1] The Times (London), 30 May, 1918, reported that Hughes had been received by President Wilson the day before; C.O., 537/1103.

[2] Lord Reading to Balfour and Long, 2 June, 1918, Balfour Papers, B.M. Add. MS 49741, f.200.

[3] W.M. Hughes, Policies and Potentates, (Sydney, 1950) p.229.

Wilson merely informed Hughes at the swift conclusion of the interview that he would 'communicate with those to whom he had entrusted the study of these and similar questions.[1] The President's inscrutability must have intrigued Hughes but we now know that the President had been fully informed by his advisers and indeed by Balfour on his mission to the United States in 1917, of the situation concerning the Islands, so that Hughes in all probability added nothing to the President's information on the subject. Moreover, it was an issue on which he would wish to be an impartial arbitrator. Thus he chose to assume a lofty role as though impervious to special pleading by lobbyists such as Hughes.

Hughes quickly recovered his powers of speech and not to be out done he immediately set out to influence the President's advisers. Wilson had commissioned Colonel House with the task of gathering information with the Peace Conference in mind. House in turn instructed J.T. Shotwell to gather a group of experts who would prepare memoranda on specific subjects of interest to the United States. This group became known as the 'Inquiry'. It very quickly became the focal point of lobbyists:

> As soon as the existence of the Inquiry became known to the representatives of European Governments...we were all flooded with the literature of their Claims.... There were also transient visitors such as Premier Hughes of Australia who gave us a foretaste of his diplomatic technique at the Peace Conference by laying his electric ear trumpet on the table when he didn't want to hear any objections to his point of view.[2]

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[1] Lord Reading to Balfour and Long, 2 June, 1918; C.O., 537/1003.

[2] Cited by J.T. Shotwell, At the Paris Peace Conference, (New York, 1931) p.11, foot-note 1. See also L.E. Gelfand, The Inquiry, (New Haven, 1963), pp.268-72.

Using the Pilgrims and Harvard Clubs[1] as pulpits for his expositions Hughes was able to put the Australian viewpoint to the men who would advise the President. As he so logically and forcefully stated:

> Our destiny like that of your Western States, lies in the Pacific. America and Australia have common interests in the great ocean. We therefore seek American's steadfast co-operation, and we are committed by inexorable circumstances to the doctrine 'Hands off the Pacific'. We shall strive against all predatory nations to give the doctrine our last ounce of strength.[2]

Commenting on Hughes's American visit Lord Reading, the British Ambassador at Washington, reported to the Imperial War Cabinet that Hughes had presented 'powerful arguments' and that there was great value in the approach which made a 'great impression' on the Americans.[3] The seed, however, appeared to have fallen on stony ground, partly because the Americans believed the circumstances did not warrant action but it may well be that Hughes was sowing with an eye to the future. He must have been disappointed that the Americans considered his remarks premature and above all that Theodore Roosevelt was out of office. Roosevelt's views and style were much more to Hughes's tastes, as he admitted years later,[4] rather than what may be characterized as Wilson's posturing moralism.

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[1] The Times, (New York) 3,15,17 June, 1918. See also H.C. Armstrong, address, 'The contribution of William Morris Hughes to United States to British and Australian Relations', Sydney Boys' High School, 25 May, 1959. Armstrong was 'the last survivor of a band of Australians in the U.S.A. during the War, working to foster closer relations with the Americans'; see Sydney Daily Telegraph, 25 April, 1959. I am indebted to Fitzhardinge, The Little Digger, for these latter references.

[2] This version was reported in the Argus, 13 July, 1918.

[3] I.W.C. Shorthand Notes, 20 June, 1918, Cab. 23/43/12.

[4] Hughes, Policies and Potentates, pp.228-231.

Hughes admitted his disappointment a few weeks later during an Imperial War Cabinet meeting which was as much surprised by Hughes's disclosures on current American views on joint intervention in Russia as it was impressed by his success in gaining access to their committee on foreign relations:

> The matter *(joint intervention)* was being treated as one of several questions. For example it did not...seem of greater urgency than the question of the Pacific and indeed we discussed it together.[1]

Hughes pointed out he had seized the opportunity to refer to the Japanese and found the Americans shared his reservations about them. Hence their acceptance, finally, that any intervention in Siberia must be a joint enterprise, a policy Hughes whole-heartedly endorsed as a matter of extreme urgency as he was genuinely concerned that Russia somehow should be resuscitated. That Japan's restless energy would be expended on the Asian mainland away from the South Pacific must have been a convenient by-product. Hughes's suspicions concerning Japanese intentions in the immediate future were not shared by Arthur Balfour, the British Foreign Secretary who went to some pains to point out to the Imperial War Cabinet that:

> For the present I believe Japan is what she professes to be, a faithful ally ready to do her best with what she conceives to be reasonable limits to aid the common cause.[2]

Munro Ferguson, meanwhile, for other reasons, had had reservations about Hughes's policy and communicated his disquiet to his superiors:

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[1] I.W.C. Shorthand Notes, 20 June, 1918, Cab. 23/32/12.

[2] Ibid., and also I.W.C. 20A, 26 June, 1918.

> The more I think on it the less I am disposed to feel quite happy over Mr. Hughes's policy re *(sic)* U.S.A. He will try to get all he can for Australia out of the British with as little quid pro quo as possible - this he is driven to do...Personally, I do not believe you risk much even if you put down your foot. The Labour Party profess to have no interest in Mr. Hughes's "damned Islands" in the Pacific and it is doubtful whether U.S. will want to protect Australia from Japan.[1]

Despite Hughes's disappointment he was satisfied he had been right in his action. Thus he reported to Munro Ferguson:

> I did some useful work in America on the Pacific Island question and am more than ever convinced I took the right line in seeking to enlist the sympathy of Uncle Sam.[2]

And to his close friend and colleague he confided his most candid remarks:

> On the whole we have done useful work, but this country is so vast it takes much time to make an impression... I've seen most of the big men here: Wilson Roosevelt Schwab Gompers Admirals and Generals galore.[3]

Hughes's Monroe Doctrine was quickly placed in historical perspective by Piesse in a paper on the subject prepared for an address in 1921. He was Director of Military Intelligence, seconded to the Prime Minister's Department where be became Director of the Pacific Branch. He was actually refused permission to read the Paper which clearly surprised him seeing it was a 'purely historical Paper'.[4]

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[1] Munro Ferguson to Long, personal, 15 July, 1918; Novar Papers, N.L.A.,MS 696/1054.

[2] Hughes to Munro Ferguson, personal, 10 July, 1918; Novar Papers, N.L.A., MS 696/2722.

[3] Hughes to George Pearce, Minister for Defence, 2 June, 1918; Pearce Papers, A.W.M., Bundle 3, File 3.

[4] Major E.L. Piesse, 'The Australian Monroe Doctrine for the South Pacific', typed draft; Piesse Papers, N.L.A., MS 882/3/274 and ff.

In general, Piesse's views on Japan's role in the Pacific were considered somewhat suspect by Hughes. Up to and during the Paris Peace Conference both were apprehensive about Japan's intentions. However, after the Conference Piesse believed there was no direct threat from Japan. He recommended therefore, a flexible attitude to the 'White Australia' policy.[1] This revisionism was anathema to Hughes, a fundamentalist on such an issue as were Australians in general in this period. It was sufficient ground for Hughes and other leading Cabinet Ministers to discount his views on this basic subject and his views in general.[2]

Piesse, tracing Australian statesmen's use of the term 'Monroe Doctribe' as applied to the Pacific, concluded that Hughes's usage though 'novel in form' was but the natural result of Australian policy as stated by public figures over the past fifty years. For example:

> The ideal of a 'White Australia' had been spoken of by Mr. Deakin as the Monroe Doctrine in the first year of the Commonwealth Parliament,...with which no interference would be tolerated....For twenty years it has been regarded as a possible provocation of attack on Australia and as a motive for defence.[3]

So there was nothing new in Hughes's declaration - it was but the current exposition of the basic article of faith of

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[1] Piesse to Secretary of Prime Minister's Department, 30 December, 1921 and 12 January, 1921; Ibid. As Director of Military Intelligenc, Piesse kept a close watch on Japanese policy and submitted reports, to be found in C.A.O., CP 447/2, item S.C.229; see especially Director of Military Intelligence to Chief of the General Staff, 22 October, 1918, 'The Far Eastern Question: Recent Developments and their Significance for Australia'.

[2] Hughes to Millen, 23 October, 1920, handwritten draft, unsigned: 'Re Piesse Papers, - I disagree entirely with views expressed therein *(on White Australia)* and quite endorse your own views. Take no notice of them'. C.A.O., CP 447/2, item S.C. 42.

[3] Piesse, 'The Australian Monroe Doctrine for the South Pacific'. and 'Australia and the South Pacific', typed address, Piesse Papers, MS 882/3/274 and 287.

Australian statesmen. Piesse may well have been simply attempting to put Hughes in his place - historically, but his remarks are tinged with that asperity he reserved for Australian statesmen, who in his estimation, unnecessarily provoked or embarrassed the Japanese and Hughes's enunciation must have, if we may judge public opinion from comments in the press.

Japanese newspapers were carefully scrutinized throughout this period by Piesse as part of his intelligence work of monitoring Japanese public opinion, though he himself completely discounted this activity as the basis of an assessment of Japanese objectives.[1] The Japan Chronicle, Piesse noted, perceptively observed that Hughes really wanted the German Islands occupied by the Japanese to be transferred to some other form of control, hence his approach to the Americans. Hughes, they insisted, wanted a 'White Pacific' as white as Australia.[2] The Gwaiko-Jiho, a diplomatic review, reminded readers that pre-war Australia saw Japan as the threat rather than the Germans and that the real fear would be the form such a doctrine would assume in union with the United States. Japan therefore had the right to proclaim her own Monroe Doctrine.[3]

Suttor, New South Wales's Commercial Agent in the East, stationed at Kobe since 1903 submitted reports to the Premier who passed them on to the Prime Minister's Department at its request. He reported that Hughes's speech was seen as the Prime Minister wooing the United States at the expense of Japanese expansion in the south and that such speeches must have an adverse effect on Australian trade in the region.[1] Some weeks afterwards, having monitored the Japanese press, Suttor informed the Australian public of the reservations of at least one important Japanese newspaper, the Osaka Asahi. While upholding the justice of the Japanese claim to a share in the spoils of war, the Asahi actually admitted that Japanese-German negotiations regarding the possibility of an alliance, carried out by the current Government led by Count Terauchi must be against Japan's best interests. It was clear that the Terauchi Ministry would have to be replaced if Japan was to retain its place as a respected member of the community of nations.[2] On the other hand, the Japan Chronicle pointed out that anti-Japanese sentiment in the United States, Canada, and Australia had led to discriminatory policies, yet Japan was an ally:

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[1] Piesse, Foreign Section (Pacific), to the Acting Secretary Prime Minister's Department, a memo, 9 May, 1921: 'In regard to Japanese opinion generally, however, I wish to record my opinion that to attempt to follow it from newspaper cuttings is a waste of effort', C.A.O., CP 360/13. All references in this paragraph to Japanese newspapers, have come from the paraphrased translations made by Piesse, to be found throughout the twenty-four Volumes of Papers on external affairs, compiled by Piesse; C.A.O., CRS A2219.

[2] Japan Chronicle, 15 June, 1918.

[3] Gwaiko-Jiho August, 1918.

> From the point of view of international etiquette and international justice...desirable...assert her rights in this respect on a proper occasion after the war.[3]

By August, Suttor noted, a member of the Japanese House of Representatives had identified these 'rights' as retention of the Islands north of the equator, freedom of residence for her people in any territory in and around the Pacific, and the recognition of the 'Open Door' regarding immigration in Australia, Canada, America, and India. It would be 'most advantageous', this Parliamentarian declared, 'to carry these policies to the Peace Conference'.[1] These were the very objectives Hughes had feared were Japan's real aims and concerning which Australia would have to be on her guard.

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[1] J.B. Suttor, Kobe to Premier, N.S.W., 7 June, 1918; Premier's Office Correspondence, Archives Office of N.S.W., 7/4881, file A22/253.

[2] From a correspondent, Kobe, clearly Suttor; Sydney Sun, 13 July, 1918, C.A.O., CRS A2219, vol.1A.

[3] Japan Chronicle, 8 June, 1918.

British Intelligence could not shed any more light on official Japanese opinion concerning Hughes's speech. Sir Conyngham Greene, British Ambassador at Tokyo who since 1915 had regularly supplied the Governor-General with reflections of Japanese public opinion forwarded without comment extracts of the newspaper and magazines which Piesse and Suttor had noted.[2] Watt, the Acting Prime Minister, in turn summarized all the available information and sent it off to Hughes when he had arrived in London:

> Premier, New South Wales, has sent me letters received from Commercial Commissioner in East covering Japanese press criticisms your New York speech on Australian Monroe Doctrine. Tone of speech regarded as anti-Japanese and deserving of great deal attention from Japanese as emanating from statesman high position Australia at time when Japan co-operating Australia for victory Allied cause. Due to Alliance with Britain that Japan declared war Germany and is now protecting various ex-German islands South Pacific. In these circumstances Australian statesmen should be as ready to select Japan as co-worker at peace conference as America. Hughes not only excluded Japan but hinted at Japan as future enemy Australia which insinuation gives very disagreeable impression to Japanese. Sure manifestation of antipathy Australians towards Japanese, and in view of discriminating policy generally against Japanese desirable for Japan assert her rights in this respect on proper occasion after war. Wonder what steps Terauchi and colleagues going to take concerning speech.[3]

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[1] Ibid., 10 August, 1918.

[2] Conyngham Greene to Governor-General, despatches, 10 June, 1918; C.A.O., (Melbourne) MP1049/1, file no., Defence, 1877/5/85.

[3] Acting Prime Minister to Hughes, London, 16 July, 1918; C.A.O., CP 360/8/1.

Hughes was given unequivocal support from Anglo-Saxon sources. Acting Prime Minister J.A. Watt, a coalition partner, affirmed that Australia was not seeking a territorial reward or extension but strongly desired that the former German Possessions in the South Pacific should not revert to Germany but should be controlled by Great Britain or a friendly Power.[1] The Times, London, that had lionized Hughes on his 1916 visit, was again forthright in its support, the editor calling on the Foreign Office to make it clear that the Pacific Islands should not be used as pawns in European territorial adjustments.[2]

In retrospect, despite Piesse's jaundiced strictures and the apparent lack of results, the American visit was a splendid episode. It was quite natural for Hughes to attempt to contact Wilson on the way to the Imperial War Conference and having failed to influence him, it was inevitable that Hughes would turn to Wilson's advisers and a public forum. This was Hughes's style whenever blocked: appeal to the people as the voice of a benign providence. It was a peculiarly appropriate way of dealing with Wilson as later events would prove. That June 1918 was a time when a dictated peace appeared a remote prospect may well have underscored his determination to press the point when the opportunity arose. Yet Hughes's clarion call may well be explained as the climax of a policy that was not only typically Australian as Piesse had observed but one that had

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1. Cited in 'Western and General Report', Part I, 'British Empire and Far East', no. 72, 12 June, 1918, p.3; Hughes Papers, N.L.A., MS 1538.

2. The Times, (London), 11 June, 1918.

been nursed quietly by Hughes throughout the War, so that now on the way to the Imperial War Cabinet he judged the time to be right for the public espousal of that policy. As we shall see, he had to battle for some two years before his patient, persistent, efforts were rewarded with success. Late in 1920 when the League of Nations was dealing with the question of the final disposition of the German Empire and Australia's delegate fully expected, at last, to be awarded the mandate for the territories occupied in 1914, Hughes wired instructions:

> Quite agreed with attitude you are taking up re Mandates. "Hands off" must be Australia's message to the Assembly.[1]

VIII THE IMPERIAL WAR CABINET, 1918

Hughes missed the opening June sessions of the Imperial War Conference and Cabinet. As in 1917 the sittings of each were held on alternate days. Again the military situation proved to be vital in determining the tone and nature of the discussions. The great Ludendorff offensive, launched on 21 March proved to be all but a decisive victory but was halted by troops which included Dominion forces. Thus Haig on 11 April issued his 'back to the walls' message to the troops. By the end of May Ludendorff having turned on the French came within earshot of Paris before being halted. The momentum of the German drive vanished. By mid-July the main German offensive had been not only stopped but the Germans had been driven back by the French counter-offensive. On

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[1] Hughes to Senator Millen, London, decypher of cablegram, 23 November, 1920; C.A.O., CP 447/2. Item S.C.18.

8 August, the 'black day of the German Army' as Ludendorff described it, the general Allied counter-offensive began - the battle of Amiens. British and Commonwealth forces under Haig now assumed the main thrust of the advance that in the next one hundred days was to prove decisive.[1] This was not known at the time nor expected. Smuts for example, was not alone in planning for the 1919 and 1920 offensives.[2] Yet Hughes had a warrior's instinct and sixth sense evidently in these matters for on 4 July he sent a message to Australia on the morrow of the battle of Hamel[3] where Monash's Australian Army Corp scored what was acknowledged as a brilliant victory. Hughes, quite jubilant, cabled that 'the victory comes at psychological moment and may have several military and political effects'. Within a month came Ludendorff's 'black day'.[4] Only the Australians, Hughes and Cook, stayed on after the last session of the Imperial War Cabinet on 20 August sensing victory as much as to complete arrangements relating to the Australian war effort and military affairs.[5]

At the June meetings of the Imperial War Conference Hughes pursued the economic goals he had so vigorously advocated in Paris in 1916 and since then in Australia. He was still convinced of the validity of these views and was engaged to speak as much as he was in 1916 on these matters.[1] Hughes and Hewins were successful in the promotion and adoption by the Conference of the Paris Resolutions with respect to the control of raw materials. The 1917 Imperial War Conference also had resolved that 'steps should be taken to make the Empire self-sufficient with regard to food, raw materials and essential industries' and that imperial preference would promote if not ensure this. After a week's debate the 1918 Conference re-affirmed this resolution extending it to include the 'belligerent Allies' within its terms to that in the post-War scene their industrial requirements would be safeguarded.[2] Outside the Conference he reinforced these views on numerous occasions. To the British Empire Producers' Association he described the German influences in the Burma Rice Trade.[3] To the Businessmen's Dinner, he argued that organization of Imperial resources was the answer:

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[1] See Lloyd George War Memoirs, vol.II, (Popular Edition), chapter LXXVIII, 'The March Retreat'; chapter LXXXII, 'Stroke and Counter-Stroke'.

[2] Smuts, Imperial War Cabinet, 14 August, 1918; Hughes Papers, N.L.A., see also General Sir Henry Wilson, Chief of the Imperial General Staff, for his 25 July, 1918 'appreciation' of the Military situation, cited in Lloyd George, War Memoirs, vol.II, pp.1857-1866.

[3] Hughes to Acting Prime Minister, received, 8 July, 1918 C.A.O., CR 360/8, bundle 1.

[4] See Hughes, Splendid Adventure, chapter V, 'The Beginning of the End'; and also Duncan Hall, Commonwealth, pp.171-6.

[5] See cable from Hughes to Acting Prime Minister, 27 August, 1918; C.A.O., CP 360/9 item 3; this was confirmed in the Acting Prime Minister's cable of 18 October, 1918; C.A.O., CP 360/8, bundle 1.

> The organization of which I speak is not a formula, nor a doctrine, nor an electioneering cry but just the adaptation of plain business methods to the circumstances of Britain, the Empire, and of every industry in it.

Such methods did not benefit one class alone; it was not for capital as against labour. It was 'for labour, for capital, the nation, for the Empire'. Indeed it was not wedded to any fiscal theory - a tariff wall was not a necessity. He was not out to wage economic war, rather the reverse; his was a policy of economic defence. He merely proposed 'to develop the resources of the Empire, ensuring an adequate supply of war materials for our industries'.[1] To those who considered Hughes an extremist in these matters he now had a simple rejoinder: Brest-Litovsk. This Treaty 'sheds an illuminating light upon Germany's hopes, fears and aims' for it must be nothing less than 'the economic domination of the world'.[2] Yet the Hendersons of the world argued that the Paris Resolutions should be strenuously opposed. Hughes was for 'nationalism not internationalism'; this was the policy for Britain. What was needed to ensure the economic safety and security of the Empire was 'an enduring alliance between America, France and Britain'.[3]

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[1] See The Times Index, June to December 1918, for ample proof of this point.

[2] Imperial War Conference, Proces Verbaux, 19-26 June 1918; C.A.O., CP 447/1, item SC76; 26 June, 1918, CAB 32/1.

[3] The Times, 25 July, 1918.

The question of preventing 'the naturalization of citizens of present enemy countries' was a corollary of the economic exclusivism that had been accepted by the Conference. What complicated matters had been the German policy of allowing dual nationality for those of German origin overseas. F.G. Massey in proposing restrictions referred to the German Government's encouragement of their 'war writer' Treischke who considered '"that every good German subject is a latent, and, if need be, an active spy."' Thus Massey proposed that enemy aliens should be denied 'any form of political rights or of land or mining privileges'. There was considerable debate and division over this issue.

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1. The Times, 25 July, 1918.

2. The Times, 11 July, 1918.

3. The Times, 22 July, 1918.

Hughes considered the terms did not go far enough for it was the right of 'aliens or persons of enemy origin' to hold shares in British companies' which had been the crux of the question during the War; he was convinced that the Empire would have to be unanimous if the legislation were to be effective. However, as the Chairman remarked: 'Canada abstains, South Africa is against it, Australia, New Zealand, India and New Foundland are in favour. The motion is therefore carried'. The Canadians had indicated that they preferred to formulate their own legislation to suit their particular conditions, for as Borden pointed out, there were numbers of German immigrants on the land who had been loyal and this Resolution would be an offence to them. It was clear that this applied with even greater force to South Africa where there was a large number of German origin in the Union and the Territory.[1] Coincidently at the Hague earlier in the month, Sir George Cave, the British Home Secretary, had been in charge of the Prisoners of War Mission, negotiating with the Germans over the exchange of prisoners-of-war and civilian internees.[2] The British press conducted a violent campaign against all aliens and against negotiating exchanges.[3] In Australia there had been throughout the War a vigorous policy of eradicating German influences of any and every sort through the War Precautions Act. This question of aliens of enemy origin is of interest in the post-War years, as we shall see, in relation to

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[1] Imperial War Conference, 22 July, 1918; C.A.O., CP 447/1, item SC76.

[2] Hankey, Diary, 6 July, 1918; cited in S. Roskill, Hankey: Man of Secrets, vol. I, 1877-1918, (London, 1970), p.571.

[3] Ibid. For example see The Times, July 1918.

Australian policy in the Territory of German New Guinea.[1]

One of the items on the agenda, 'channels of communication 'had been proposed by Hughes[2]. As we have seen, the double filter of the Colonial Office and the Foreign Office had irked him. He also had reason to feel that Munro Ferguson was exercising his 'supervisory' role far too closely with the result that Hughes believed that the Governor-General would fast become 'the de facto Government of the Commonwealth which under our Constitution and that of Britain he is not'.[3] This issue naturally created tension between Prime Minister and Governor-General yet relations throughout remained cordial and effective. Munro Ferguson had a high sense of his duties, responsibilities, and privileges. In fact rather than a dimunition of his role, as envisaged by Hughes, he rather saw the areas where the Governor-Generalship could be enhanced. Between 1914 and 1916 there is a lengthy correspondence with the various Colonial Secretaries concerning the rationalization of British possessions in the South Pacific under the control of the Governor-General as High Commissioner with the office based on Sydney.[4] Munro Ferguson had the support of a variety of officials and even of Bickham Escott, the Governor

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1. See below, Chapter Four, I, (a). For an examination of this problem in Australia during the War years, see Scott, Australia during the War, Chapter IV, 'The Enemy within the Gates'.

2. Hughes to Secretary of State for Colonies, 6 May, 1918; CP 78/23, item 1918/10004.

3. Hughes to Munro Ferguson, 8 February, 1918, Novar Papers, N.L.A., MS 696/2604; Hughes considered Munro Ferguson was using the Executive Council to exercise supervision.

4. One of the most comprehensive outlines of the case in in Munro Ferguson to Bonar Law, 3 August, 1916; Davidson Papers, House of Lords Record Office.

of Fiji, and High Commissioner for the Western Pacific. Agreeing with Munro Ferguson's proposals he put them to Bonar Law late in 1916 but to no avail.[1] The Colonial Secretary already had informed Munro Ferguson that he was not convinced of the desirability of the Commission representing 'the Imperial, Australian and New Zealands Governments for the unification of trade regulations and the protection of British trade interests in the Pacific'.[2]

The historic 1917 Imperial Conference had resolved that any future re-adjustments in relations between the United Kingdom and the Dominions 'should be based upon a full recognition of the Dominions as autonomous nations of an Imperial Commonwealth'. There should also be provision for effective arrangements for continuous consultation in all important matters of common Imperial concern'.[3] The 1918 Imperial War Cabinet established that the Prime Ministers of the Dominions should 'have the right of direct communication with the Prime Minister of the United Kingdom and vice versa', but that communications should be limited to matters of Cabinet importance. So that, as a rule, the Colonial Office would remain the conventional channel. The Dominions were given the right to nominate a 'Resident Minister' in London to represent their Prime Minister at meetings of the Imperial War Cabinet in the intervals between the annual plenary sessions to be held in the post-War period.[4] In this discussion Hughes pointed out that in practice there would be no difficulties. It was rare for a Prime Minister not to be on intimate terms with the Governor-General. He had always had the machinery of Government House freely at his disposal. In any direct communication in future he would 'naturally ask his Governor-General whether he had any objection, and, equally naturally, the Governor-General would put his cypher at his disposal'.[1]

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[1] Bickham Escott to Munro Ferguson, 31 December, 1916; Novar Papers, N.L.A., MS 696/7009.

[2] Bonar Law to Munro Ferguson, 17 November, 1916; Ibid., MS 696/6741.

[3] Great Britain, Parliamentary Papers, 1917, XXII, Imperial War Cabinet, 1917. Extracts from Minutes of Proceedings and Papers laid before the Conference, *(Command 85666)* p.5.

[4] Imperial War Cabinet, 28, 30 July, 1918; Hughes Papers, N.L.A., MS 1538/111/4.

Lloyd George clearly was prompted by the memoranda on the subject by L.S. Amery who was now close at hand as a member of his 'Garden Suburb'. Amery had written to 'my old friend "Billy" Hughes' in June[2] with reference to it and the same month produced a massive eighteen page memorandum on it.[3] Early in July he wrote to Lloyd George reminding him of the incident months ago when Hughes had written concerning the organization of the Australian Army Corps asking it to be referred to his 'colleagues in the Imperial Cabinet' but 'the telegram was sat on by Long and Fiddes for a whole month before I accidentally got upon the traces of it through an enquiry addressed to me by Murdoch'.[4] Borden's letter to Lloyd George simply added momentum to the growing movement for change, as Lloyd George himself informed a worried Colonial Secretary.[5] Hankey, after consultation with Long and Fiddes, cautioned the Prime Minister to tone down the demands

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1. *Ibid*.

2. Amery to Hughes, 12 June, 1918; C.A.O., CP 447/2, SC18 cited in Cuneen, 'The Role of the Governor-General', pp.435-441. Duncan Hall, *Commonwealth*, pp.301-10 cites this letter as the seventeenth.

3. Details are in Mansergh, *The Commonwealth Experience*, pp.174-6; also see Amery's four page memo, 'Imperial Relations 1918', 24 July, 1918; C.A.O., CRS A981, item Imperial Conferences 104.

4. Amery to Lloyd George, 9 July, 1918; Lloyd George Papers, House of Lords Record Office, MS F/2/1/26.

5. Lloyd George to Colonial Secretary, 9 July, 1918; Lloyd George Papers, House or Lords Record Office, MS F/33/1/4.

that Borden envisaged, at least for the duration of the War.[1] Colonial Secretary Long felt that 'Borden and Co' had 'no knowledge of the volume and extent of the work' involved in their suggestion and that Hughes's motion was 'framed in very vague terms. After explanations by Borden Hankey acknowledged that the proposal was a harmless one. As he informed Lloyd George, it would be impossible for the Prime Ministers of the Dominions to come to agreement with the Prime Minister of the United Kingdom 'upon some great question behind the back and without the knowledge of the 'Secretary of State'. Long was one of those who had lofty notions of his own office. He was a 'country squire', a man of 'ancient lineage', a Tory prospect of high office within the Conservative Party.[2] Yet here was a suggestion that ran counter to these aspirations. Nevertheless Long admitted 'the scheme might work' but counselled consultation with the governors-general whose position would be 'materially affected' and they had rendered 'admirable service'. Indeed Long considered Munro Ferguson as 'probably one of the best Governors-General who has ever represented the King'. Hughes himself had borne 'eloquent testimony to his work'. Thus to 'deprive him of some of the most important functions of his office' without proper consultation would be 'altogether improper and unfair'. Long anyway had already prepared the Governor-General for 'the worst' and a subsequent cable apprised him of the details of the proposals.

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[1] Hankey to Lloyd George, 11 July, 1918; Ibid., MS F/23/3/4; Diary, 10 July, conversation with Long and Fiddes at Colonial Office about Borden's letter, Roskill, Man of Secrets, p.572.

[2] See Roderick Clifford, 'Long of Wraxall: The Political Career of Walter Long 1854-1924', PH.D. thesis, John Hopkins University, Baltimore, 1970.

At the Imperial War Conference on 18 July Hughes led the debate on his proposal.[1] The War had brought about changes in the relations between the Dominions and the United Kingdom. What was needed now was administrative apparatus to give effect to those changes. Deakin in 1907 and Botha in 1911 had envisaged these changes. Hughes proposed an end to the Colonial Office as a filter to communications with the British Prime Minister. The role of the Governor-General should be limited to the 'King's Representative in the Commonwealth' and he should cease to be an official of the Colonial Office. Walter Long, the chairman, in accepting Hughes's Resolution informed the Conference that the governors-general had already been informed of these proposals. The following week the Imperial War Cabinet continued the discussion with Amery's July memorandum to guide them. It was here that moderation prevailed and Hankey's hopes were realized. The Colonial Office after all, would handle routine matters. But the important points that Hughes had proposed had been carried and embodied in the 30 July resolution of the Imperial War Cabinet.[2]

Munro Ferguson's reaction was clear. It was an unequivocable opposition that almost led to his resignation by the end of the year. He had cabled immediately to Long for it was concluded in Australia that 'the Colonial Office had been eliminated' from Australian affairs.[3] This was followed up by a lengthy outline of all that the British Government would lose by these changes. They would lose 'a strictly impartial narrative of any particular subject' and with it 'the accuracy of an unbiassed report on any given situation'. It was possible for direct pressure to be brought by Dominion Prime Ministers in collusion with the British Prime Minister. 'Ireland, or Japan, Tariff or Loan, Defence or Immigration' all presented such opportunities. Munro Ferguson pointed out that Hughes appeared to have forgotten that the sovereign States of the Commonwealth of Australia also would take advantage of this change. And Lloyd George's 'ill-considered proposals' had neglected the fact that now the Dominions would possess 'the status of Independent Nations in addition to their having the predominant voice in the Supreme Council of the Empire'.[1] Long attempted to calm him down with a quick reply that the proposals were specially geared for exceptional circumstances such as the War and that the Colonial Office would remain the normal channel of communications.[2]

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[1] Hughes, 18 July, 1918, 'Imperial War Conference, (1918), Minutes of Proceedings'; C.A.O., CP 447/1, item SC76.

[2] Duncan Hall says 'Four men, Hughes, Amery, Hankey and Borden were primarily responsible for this development'; Commonwealth, p.302.

[3] Governor-General to Secretary of State, 21 August, 1918; Lloyd George Papers, House of Lords Record Office, MS F/33/1/16.

This may well have mollified him for the moment but his hackles arose when he read Murdoch's attack on the Colonial Office shortly afterwards:

> The crusted devastating bureaucratic inefficiency and ineptitude of the Colonial Office has become a shameful bye-word in British Administration and general hatred with which it is regarded will do much to bring support for Australian contention...

The article, Munro Ferguson informed Long, then went on to state that Hughes demanded that the Office should no longer deal with the affairs of Dominions who should deal directly with the British Prime Minister on questions of policy.

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[1] Munro Ferguson to Secretary of State for Colonies, 25 July, 1918; C.O. 537/1035.

[2] Long to Governor-General, n.d., but July, 1918; Lloyd George Papers, House of Lords Record Office, MS F/33/1/16.

Long, in explanation to Lloyd George, pointed out that he had discussed the article with Hughes who regretted Murdoch's action and approved of extracts from his speeches being used to refute the assertions.[1] However, there is no doubt that Murdoch's unguarded statements voiced the pent up feelings of dissatisfaction with the Colonial Office that was perhaps by now a long standing tradition in Australia.

The Governor-General was clearly alarmed at the way matters were heading. There was worse to come. An Australian had been appointed to an important position in the United States without his prior knowledge. He confided to his own intimate diary:

> First I hear of Braddon's appointment. Letter of introduction asked by Department. Neither I nor S.S. nor ambassador has any knowledge of his mission. Braddon gives his own version of it. He didn't call on me before leaving as is rule in similar cases.[2]

Sir Henry Yule Braddon's appointment in August 1918 as a trade commissioner in the United States was the first such appointment outside Britain by the Commonwealth.[3] It proved to be an historic landmark and was in fact an offshoot of Hughes's fruitful visit to the United States earlier that year. He was to develop trade relations, extend Australian publicity, take charge of shipbuilding and other interests. At Hughes's insistence he was to be furnished with letters of introduction to the British Ambassador at Washington and the Governor-General of Canada.[1] Hence there was this approach to Munro Ferguson which occasioned another bout of recriminations for the select audience of his diary:

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[1] Munro Ferguson to Colonial Secretary, 8 September, 1918; Long to Lloyd George, 11 September, 1918; Davidson Papers, House of Lords Record Office; Murdoch's article appeared in the Melbourne Herald, 7 September 1918.

[2] Novar Diary, 30 September, 1918; typescript copy in possession of Professor Poynter, University of Melbourne.

[3] For a detailed account, see Ruth Megaw, 'The American Image in Australia'. pp.83-6; and also her article, 'Undiplomatic Channels: Australian Representation in the United States, 1918-39', Historical Studies, vol.LX, April 1973, pp.610-11.

> An Australian Prime Minister is always tyring to use a governor-general as a pawn in the *(manoeuvres)* of his political game...Mr. H. never had a talk with me as to his Locum Tenems never even told me who he was any more than he imparted his policy setting aside the C.O. and G.G. He has cut off the roots of the Ggship at Home....The position has been made untenable so far as any influence for continuous policy is concerned. The C.O. has contributed to this...[2]

Munro Ferguson obviously was hurt but more than this he genuinely believed he had been let down by the Colonial Secretaries under whom he had served. There had been:

> ...3. Bonar Law's abdication
> 4. Lu H's timidity
> 5. Long's surrender on channels of communication of more impossibilities than we could bear....The difficulty is that the C.O. has been spinning its own rope... Harcourt let H.M.'s representative sink or swim. Bonar Law let go the reins altogether. Long could not regain control...[3]

There was little wonder that he considered continuation in office was pointless. Long was greatly alarmed even at the thought of it at this stage and told Munro Ferguson that for him to leave office in these circumstances would be a 'great disaster'. Long had therefore consulted Hughes who stated that he attached immense importance to the Governor-General's retention of office. In view of all the problems ahead associated with a prospective peace Hughes felt that his assistance would be personally vital.[1]

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[1] See C.O. 886/7, being Dominions 61, for this correspondence which includes Munro Ferguson to Colonial Secretary, 12 September, 27 November; and Colonial Secretary to Governor-General, 25 November, 1918; see C.A.O. CRS A2, item 19/446 for Braddon's appointment.

[2] Munro Ferguson, Diary, 21 September, 1918.

[3] Munro Ferguson, Diary, 20, 30 September, 1918.

As in 1917, the Imperial War Cabinet discussed the actual conduct of the War, and War aims. This Committee of Prime Ministers of the Dominions, with General Smuts standing in for Botha, represented the 'frock coats', except for Smuts, as against the 'brasshats'. The Committee at the outset on 13 June carried out a post-mortem on the Passchendale blood-bath. Borden delivered a passionate and vitriolic denunciation of the professional soldier's outlook which he alleged had led to such a result. He deplored the policy of promoting the professional soldier over the civilian soldier regardless of ability[2] - a point appreciated by Hughes who commented in his reminiscences that the Canadians and the Australians were led by civilian generals, Currie and Monash,[3] respectively. Hughes, arriving late, followed this up on 20 June with his own fiery statement demanding 'a greater voice in the war'.[4] However, as Hankey records he was gently reminded by Borden that if he had no voice it was because he neglected to attend the Imperial War Cabinet last year.[5] Hughes was not one to be put out by such ripostes. In the following days he forcefully commented on the disastrous drainage of manpower on the Western Front. If the rate continued the Allies would only score a Pyrrhic victory:

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[1] Long to Munro Ferguson, 15 October, 1918; Novar Papers, N.L.A., MS 696/1517.

[2] Borden, Imperial War Cabinet, 13 June, 1918; CAB 23/32; see Duncan Hall, Commonwealth, pp.174-5.

[3] Splendid Adventure, chapter IV, 'Black Days and Blunders'.

[4] Hughes, Imperial War Cabinet, 20 June, 1918; CAB 23/43.

[5] Hankey, Diary, entry dated 21 June; Roskill, Man of Secrets, p.565.

> Our object is not merely to win this war at all hazards by the sacrifice of the last man we have got, because if we win, we lose, we are barren. It is what we have to do afterwards. England has to live...

Thus at the Peace, Britain could find other Powers, the Americans for example, dictating policy as Britain would have exhausted herself completely during the War and would be considered a spent force. He therefore encouraged greater use of the 'Air Service' and supported Churchill's tank schemes.[1] In view of the position on the Western Front Hughes considered that the best policy would be to ascertain the Achilles' heel of the Central Powers but he recognized that a victory in the field against the German army itself was essential for a victorious peace. The militaty power of Germany had to be broken. Lloyd George summed up the problem that had been pursued for weeks now by the committee of Prime Ministers: 'How to win at all? How to win without having our own Army...so beaten and shattered that, in fact, at the end of the War, the American army would be the only one left'.[2]

Associated with Hughes's efforts to secure a larger measure of representation of Australia in the conduct of the War was the question of the leadership of the Australian Army Corps. For most of the War it had been under the leadership of General Sir William Birdwood, a British officer. In

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[1] I.W.C., 28 June, 1918; CAB 23/43.

[2] I.W.C., 27A, 31 July, 1918; CAB 23/44.

January 1918 when the Australian forces in France had been consolidated as a distinct Australian Corps, Birdwood thus was the natural choice.[1] In May Birdwood relinquished control of the field forces to re-establish the shattered British Fifth Army. He retained administrative command of the A.I.F. but the operational command, 'beyond question the most important attainable in the Australian Army' was now open. Hughes made certain it would go to an Australian.[2] Similarly the arrangements whereby the 'self-administration of the A.I.F. and a similar one for the New Zealanders', were accepted was a result of Hughes's insistence.[3] Thus the administrators of the A.I.F. were directly responsible to the Australian Government. Hughes however was opposed to the position whereby Birdwood commanded an English Army and was G.O.C. A.I.F. responsible for all administrative arrangements. Apart from the work load, he was serving two masters:

> He looks to War Office for his orders of preferment for maintenance of his position. Where interests of Australia and Britain clash - and they do clash and have clashed in military matters is certain and that interests of Australia have suffered - for which will be stand?

The Canadians, Hughes bluntly pointed out, had their own general in charge of Administration in London and consequently had reaped the benefit of fostering 'Canadian national sentiment'. Hughes hoped that Birdwood, faced with the choice, would opt for the British Fifth Army alone, leaving Monash or Brudenall White to fill Corps Commander and G.O.C.A.I.F. in charge of administration.[4] Cabinet endorsed

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[1] C.E.W. Bean, Two Men I Knew, (Sydney, 1957), p.120.

[2] General Sir John Monash was eventually selected as Commander, Australian Corps; the other main contender was General Sir Brudenall Bingham White; Ibid., p.170. See also Birdwood to Munro Ferguson, 27 May, 1918, Novar Papers, N.L.A., MS 696/3306-13.

[3] Bean, Two Men I Knew, p.129.

[4] Hughes to Acting Prime Minister, 1 August, 1918; C.A.O., CP 360/9/3; Hughes appears indifferent as to which of the two should be G.O.C.A.I.F. or Corps Commander.

Hughes's view on this.[1] In the event, Birdwood informed Hughes that Haig had confirmed his appointment to the Fifth Army and his retention of the responsibility for administration of the Australian Forces.[2] It was not till December that Hughes was able to secure Birdwood's exclusive services for this administration which by now was a question of demobilisation and repatriation.[3]

Similary, when the Admiralty in May 1918 produced, for the consideration of the Imperial War Conference, a memorandum that proposed a single navy for the Empire,[4] Australian national feeling was stirred once more. Cook, Hughes's colleague, and Navy Minister, took up the matter. All the Dominions rejected the suggestion. However, as a result, it was proposed that Admiral Jellicoe should tour the Dominions to advise on the needs of Dominion Navies.[5]

On strategic matters, Russia and Japan were the main questions with which Hughes appeared to be concerned. He resolutely advocated intervention in Russia by Allied forces but was doubtful whether Russian forces loyal to the Allied cause would submit to a Japanese commander. And this he informed the Cabinet, was Kerensky's view as put to him the night before.[6] I have already referred to Hughes's report to this Cabinet on his American visit with respect to American views on intervention in Russia and have dealt in some detail with his protests over the prospective Pacific settlement. There remains to place these protestations at the June and August sessions in the general perspective of the War aims discussion at the Cabinet.

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[1] Acting Prime Minister to Hughes, 9 August, 1918; Ibid.

[2] Birdwood to Hughes, copy, 15 August, 1918; Birdwood Correspondence in 'Hughes Annex', N.L.A.

[3] Birdwood to General T.H. Dodds, A.I.F. Headquarters, London, 2 December, 1918; Hughes to Dodds, 5 December, 1918; Ibid.

[4] Admiralty Memorandum, R.E. Wemyss, 'Naval Defence of the British Empire', 17 May, 1918; C.O. 537/1007; Imperial War Conference, 'Minutes of Proceedings, C.A.O., 447/1, item SC76.

[5] Sir Joseph Cook to Acting Prime Minister, 14 October, 1918, C.A.O., CP 360/1/1. See below, Chapter Four, II.

[6] I.W.C., 18, 20 June, 1918; CAB/23/43; eventually it was agreed that the Japanese and Americans would intervene in western Siberia, each supplying some 70,000 troops and marines; see R.H. Ullman, Anglo-Soviet Relations 1917-21, (London, 1968).

Balfour's 'Thoughts on the German Colonies' a Paper that eventually was circulated for the War Cabinet appears to have set off this crucial round of discussions for it was considered that the Foreign Secretary's remarks must have a bearing on any peace negotiations. He now held that it would be madness to restore any of the colonies to an unregenerate Germany that could use them for naval bases. This of course was the typical argument that Hughes himself employed. However, Balfour was 'not so clear' as to whether all these colonies should be annexed by those who had conquered them. This was a reference to the African Colonies. He believed Japan was the heir of Germany in China and that Japan and the Pacific Dominions should retain the possessions they now occupied. Balfour made it clear that Britain did not intend to be selfish: 'We in Great Britain are altruists and desire nothing for ourselves. But our Dominions are different. They desire certain things and must have them'. Thus Britain was 'perfectly willing to sacrifice interests' that were legitimately hers.[1] Colonial Secretary Long hastened to the defence of the Dominions statesmen. The implication that their statesmen were on a 'lower plane' morally, than the British was offensive. The charge that they were less disposed to subordinate local interests to the general welfare of the Empire could not be substantiated. Long maintained that the Dominions' claims could be upheld by the best of reasons and were conceived in the best interests of the Empire.[1] Balfour hastened to withdraw any intention of denigrating Dominion objectives.[2]

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[1] Balfour, holograph memorandum, 'Thoughts on the German Colonies'. 2 May, 1918; post-scripts, 21 June, 1918; Balfour Papers, B.M. Add MS 49699 ff.84-6.

In the War Cabinet discussion on War aims Balfour continued his policy of maintaining that Japan, despite the misgivings of so many, would remain loyal to the Allied cause. Therefore he hoped Japanese intervention in Siberia would be possible. Massey pointed out that from the Australasian point of view there were considerable advantages in encouraging Japan to devote and expend her energies in intervening in Russia. Balfour recognized that such 'double talk' about Japan was abroad among the Allies and that the Japanese were unpopular in California, Western Canada, and northern Australia. Because President Wilson himself was indebted politically to the Californians whose votes on a critical occasion had saved him from defeat, Balfour judged that it was unlikely he would risk the adverse publicity which would be generated by a joint American-Japanese enterprise.[3] While Smuts in his own Paper accepted that the Pacific Dominions and South Africa should retain their conquests for defence and strategic reasons he could see that the Germans could use them as pawns to retain some remnant of her Colonial Empire in Africa as the basis of a 'large Central African

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[1] Long, 'Memorandum on the German Colonies', 11 June, 1918; CAB/24/54, GT4816.

[2] See Louis, Germany's Lost Colonies, pp.106-7.

[3] Balfour, I.W.C. 20 June, 1918; CAB23/43.

Empire' - a 'Mittelafrica' policy which he feared. Not only would it place pressure on South Africa but also on India, the Middle East and the south Pacific. In this Paper Smuts also debated the problem of the colonies and an indecisive victory. The solution would be some form of international control to prevent the territories from being used for military purposes and to preserve the rights of the indigenous peoples.[1] It was but a short step to the mandate principle advocated at the Paris Peace Conference of 1919. However, Curzon, a convinced imperialist and the next foreign secretary, refuted Balfour's equivocations and utterly opposed any suggestion of a condominium policy but admitted that Smuts's 'international board' did have the advantage of solving the basic problems of imperialism, trade wars, and monopolies but did not solve the questions of sovereign rights and prerogatives.[2]

Meanwhile Dominion statesmen, spokesmen, and publicists had been active promoting their case. Hughes, the guest of the executive committee of the 'Pilgrims' in the United Kingdom repeated his Australian Monroe Doctrine of the Pacific for their benefit, pointing out that what 'Calais and Boulogne were to Britain', New Guinea and the other islands were to Australia. He was glad that France had interests in the South Pacific and that Holland 'as long as she did not become an agent of Germany' was a neighbour in Java and New Guinea but most of all he hoped, he was sure, he had been heard 'with favour in the United States'.[3] Massey and Ward re-affirmed New Zealand's position[1] while Murdoch in the Sydney Sun mocked the Wilsonian dogma of '"no annexations"'.[2] Latham, too, had been busy. His 'Memorandum on the Pacific' of July supported the Australian case that was to be put forward at the Peace Conference. Hughes acknowledged that it had been well received by all who had read it.[3] His arguments were based on the defence and strategic requirements of Australia, the development of its resources, and the protection of British trade. It bore the marks of the first rate logic and precision that characterised his memoranda which later deservedly won commendation at Paris in 1919. He concluded that an 'alliance between Great Britain and the United States would secure an Anglo-Saxon hegemony in the Pacific'.[4]

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[1] Smuts, memorandum, 'The German Colonies at the Peace Conference', 11 July, 1918; CAB 29/1/25.

[2] Curzon, 'Some Further Remarks in the German Colonies', 25 July, 1918; Latham Papers, N.L.A., MS 1009/21/1340.

[3] *The Times*, 13 July, 1918. The Pilgrims' Society appears to be a social group dedicated to fostering Anglo-American relations.

Lloyd George, speaking at a dinner given by Lord Beaverbrook in honour of the visiting Canadian journalists confirmed that Britain and the Dominions were 'pretty well in agreement upon' the question of the Colonies. Certainly they would not be returned to Germany. It was the question of the 'principle of self-determination' that was the area of doubt.[5] This was the very reason for the vociforous Dominion campaign.

Thus in the second session on War aims in August Hughes adopted the position that Australia was in the islands to stay: 'J'y suis j'y reste'.[6] The point, though oft repeated,

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1. Argus, 17 July, 1918.

2. Sun, 20 July, 1918.

3. Latham, Diary, 3 December, 1918; Latham Diary, 3 December, 1918; Latham Papers, N.L.A., MS 1009/20/909A.

4. Latham, 'Memorandum on the Pacific', 23 July, 1918; 'The Control of the Pacific', 9 July, 1918; C.A.O., Melbourne, MP 1049/1 file no.19/0118.

5. Morning Post, 15 July, 1918.

6. Hughes, I.W.C. 31, 14 August, 1918.

was one that had to be made in August while the phrase 'self-determination' was being bandied about. Borden did inject the view that somehow or other the inclusion of the United States in the Colonial Question in the Pacific or the Middle East was vital for he considered that the United States ought to be involved in the affairs of the nations. Indeed, he believed it was her duty to take a share in the onerous task that the British had borne for so long: international law and order. Borden recognized the isolationist tradition of the United States would be a formidable bar to this highly desirable goal.[1]

Amery however, was one who opposed this view. Offering the United States the 'undigested lump of unfamiliar problems at the other end of the world' simply to draw the Americans into world affairs, he considered was a ludicrous proposal. However, he continued, in this memo for Balfour's benefit, the Americans in their Monroe Doctrine had hit on 'the greatest principle of peace yet devised.' Amery's solution for the expansionist tendencies of the Powers was a series of Monroe Doctrines, each Power having its own sphere of influence. Cecil and Balfour, while impressed were not convinced that there was sufficient land on the globe to satiate the appetites of the growing number of Powers. Japan was a case in point. They all agreed however, that her sphere of influence should be China. Amery agreed that the Pacific Dominions should retain their conquests.[2] Lord Esher, the influential adviser to the King, outlined his own views to

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[1] Borden, I.W.C., 30, 13 August, 1918;

[2] Amery to Balfour, 16, 22 August, 1918; Balfour to Amery, 17 August, 1918; Balfour Papers, B.M. Add MS 49775, ff.176-8.

Hankey, whom he conceded was in an incomparable position to advise Lloyd George himself. Clemenceau would be the ultimate problem in the negotiations for he was a master in the art of 'horse-trading', and was likely 'to steal a march' on Lloyd George if he was not 'at the top of his form'. Esher considered that the problem was that the 'Boche' would trade Alsace-Lorraine for retention of her Colonies and the French would naturally expect the British to fall in with this. The problem then became the attitude of the Dominions. Lloyd George should then use the League of Nations 'to camouflage anything in the way of territorial acquisitions forced on him by the Dominions'. It was important too for the British not to appear as landgrabbers'. Britain must retain its position as the '"Tutelary Angel of the Human Race"' and not give up this role to the United States. But Lloyd George was 'ill-served by his "expert diplomatic functionaries" that however brilliantly he may explode' at the Supreme War Council, he was likely to be '"done in" on the Quai D'Orsay.'[1] Amery, one of these functionaries, at least agreed with Esher that the Dominions were an element in the diplomatic bargaining that would determine the terms of peace. He pointed out to Lloyd George just after the armistice, that as far as Britain was concerned the Dominions were a vital part of Britain's case. If the Dominions came to believe that they were part and parcel of the decision-making process in Britain's external relations they would 'be prepared to accept the idea of a single foreign policy for the British Commonwealth'. If the vital decisions facing the Empire were taken without proper consultation and if it appeared that purely British and European factors determined matters and if the '"Imperial

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[1] Esher, Roman Camp, Callander, to Hankey, holograph letter, 29 August, 1918; Lloyd George Papers, House of Lords Record Office, MS F/23/3/11.

Cabinet" did not become a serious instrument in determining Imperial policy' then 'Imperial Unity' would be shattered and each Dominion would begin to develop its own foreign policy.[1] The solution to this problem of 'Imperial Unity' was to elude the statesmen of the Empire for the remainder of Hughes's prime ministership.

IX THE DEBATE OVER THE TERMS OF PEACE AND THE ARMISTICE.

On 5 October, Hankey recorded in his diary that Foch had informed the Allies of the Central Power's request for an armistice and this appeal had been directed to Woodrow Wilson who, Hankey noted, was inclined to keep his own counsel. Hankey thus was concerned that this development could result in the armistice terms slipping out of the hands of the Allies.[2] On 9 October the Allies learned of the actual terms of the peace which the President had despatched the previous day to the Germans without consulting the Allies. Lloyd George was 'immensely irritated' for 'he fears the Huns will try to assume that it *(the Fourteen Points)* is the only condition' for the terms of the armistice. He reported this conviction to the Imperial War Cabinet on 11 October. Hughes supported Lloyd George's view that the armistice terms should proximate the terms of peace. Lloyd George for his part agreed with Hughes that economic pressure and the blockade, should be resolutely maintained so as to secure the armistice and to prevent the Germans gaining any economic advantage at the expense of any of the Allies.[3]

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[1] Amery, Memorandum, 14 November, 1918; Balfour Papers, B.M. Add MS 49775 ff.191-4.

[2] Hankey, Diary, 5 October; cited in Roskill, Man of Secrets, p.608 see also Hankey, Supreme Command, vol.II, p.852-61.

[3] I.W.C. 35, 11 October, 1918; Hughes Papers, N.L.A., MS 1538.

At this point Hughes assumed the initiative. While in Paris, being decorated by President Poincaré, he spoke with Premier Clemenceau who was much impressed with Hughes and Borden.[1] Hughes solicited French support for a 'hard' peace and not the 'soft' peace that was envisaged by Woodrow Wilson. It would appear that Hughes also was hoping for French support for his claim to a voice at the Peace Conference deliberations.[2]

Meanwhile, after a War Cabinet discussion the British had cabled Wilson to the effect that the Allies did not accept all his desiderata. Munro Ferguson expressed his own relief that 'the Allies have at length' had done this or else the Germans would have gained an 'immense advantage'.[3] However, the British also felt hampered by Clemenceau's and Orlando's expressed request that no publication of these negotiations should be made for this meant that presssure could not be placed on Wilson where he was most sensitive - public opinion.[4] The War Cabinet the same day decided that no armistice should be signed that did not ensure that German naval and military strength would be crushed so as to prevent a possible revival of German militarism. It was noted that the 'Fourteen Points' were capable of wide interpretation and concern was expressed over the 'Freedom of the Seas', and the fate of the German Colonies. Balfour emphasised that the Allies were really bound to see that the Colonies were not returned to Germany. Lloyd George even asked Smuts if it would be possible to summon 'a small Indaba of Native Chiefs' which would provide evidence at the Peace Conference of the wishes of the native chiefs against a return to German rule. Robert Cecil commented that a fair case against the return of the Colonies was easy but 'it was not so easy to make out the case for keeping them'. Lloyd George, still on the same track, now suggested that the United States should send military personnel to the Colonies, then report their findings to Wilson.[1] Lloyd George evidently was much concerned about the implication of the Fourteen Points in its relation to the German Colonies. At this point, Hankey, at the risk of offending the Prime Minister, guardedly pointed out that the Colonial Secretary and the Secretary for India, Montagu, had complained that they were not being kept informed on the question of the Colonies. Surprisingly, Hankey was informed that the Prime Minister did not trust Montagu.[2]

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[1] Amery, My Political Life, vol.II, p.150

[2] Scott, Australia in the War, vol.II, p.150. It should be realized that Scott had access to all the relevant files and was a contemporary of Hughes; see Argus, 1 August, 1918 for a report of his lecture in Melbourne on Hughes's 'Monroe Doctrine'.

[3] Hankey, Diary, 13 October, 1918; Roskill Man of Secrets, p.612, and Munro Ferguson, Diary, 13 October, 1918.

[4] I.W.C., 14 October, 1918, CAB 23/8/485.

While President Wilson on the thirteenth replied stiffly to the German Note he still had not communicated with the Allies, but Lord Reading indicated that Wilson was sending his confidential adviser, Colonel House, to confer with the Allies. On the seventeenth Hankey noted that a War Cabinet meeting suddenly had been arranged solely to discuss the armistice and the peace. Again Hankey pressed on Lloyd George the question of Long, Montagu, and Hughes's attendance at such discussions. The Prime Minister did not want them at the meeting so he arranged an 'informal conference of ministers'.[1] After the Imperial War Cabinet meeting which was chaired by Bonar Law in Lloyd George's absence - in the circumstances an absence that was most conspicuous - Curzon complained of Lloyd George's lack of communication. Hankey hurriedly informed Lloyd George of the furore. Long had in the strongest terms supported Hughes's presence at all meetings called to discuss the armistice terms in view of Australia's sacrificies in the War, which were 'a good deal more than the Americans'. Therefore they had 'as good a right to a voice as President Wilson'. Long stated that he was somewhat in the dark about events while Curzon noted that the only serious meeting to discuss the subject only had a few members of the War Cabinet present.[2] Montagu referred to the fact that his India Office colleagues wished to be informed of the position with respect to the armistice and he simply had to say he just did not know. Montagu had also referred to the proposed Report on the Eastern Committee's deliberations on War Aims which had not seen the light of day. Hankey reminded Lloyd George that it was Hughes's objections that had held up this Report. Thus Hankey pressed on the Prime Minister the Cabinet's view that Hughes, Long, and Montagu should be present at the next meeting.[3] That night Hankey was instructed to arrange a Cabinet meeting for the following day, Saturday. Haig was present at this War Cabinet discussion. Once again Hankey brought up the question of the presence of the other Ministers and Hughes, to be informed: 'This is my reply to their remarks yesterday."' Monday's War Cabinet also was to exclude them. Hankey prevailed on Bonar Law to reason with the Prime Minister who was unmoved by Bonar Law's pleas.[1]

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[1] Ibid.

[2] Diary, 14 October, 1918; Roskill, Man of Secrets, p.613.

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[1] Diary, 17 October, 1918; Ibid., pp.614-5.

[2] This was the meeting held at Danny Park the Sunday before; it was the home of Lord Riddell and was used at times by Lloyd George for War Cabinet discussions; Ibid., p.548.

[3] Hankey to Lloyd George, 18 October, 1918; Lloyd George Papers, House Lords Record Office, MS F/23/3/17. See also his Diary, 18 October; Roskill, Man of Secrets, pp.616-7. No records were kept of the Meeting.

On the twentieth Hankey noted the German acceptance of the President's terms and conditions which were to be worked out in detail by the military advisers.[2] Hughes sensing that the crucial Allied Conference on an armistice was in the air, deliberately notified the Colonial Office on the twenty-fourth of his movements and details of his itinerary for the following week. As it turned out, the crucial Versailles Council discussions were held between 29 October and 4 November. Hughes informed Lloyd George that he had provided the Colonial Office with information on his daily whereabouts so that at a moment's notice he could be contacted by phone and back in London within hours.[3]

On 26 October Hughes was supplied by Hankey with Lord Robert Cecil's memorandum on the Japanese Occupation of the Pacific Islands. Cecil had minuted on the Foreign Office file copy that 'this disposes conclusively of Mr. Hughes's contention that the Commonwealth Government were not consulted' in the matter.[4] Meanwhile Hughes wrote in his copy of the

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[1] Diary, 19 October, 1918; Ibid., pp.617-8.

[2] Hankey, Supreme Command, vol.II, p.857.

[3] Hughes to Hankey, 24 October; Batterbee, Colonial Office, to E.H. Box, Australia House, 24 October; Hughes to Lloyd George, 6 November, 1918; Lloyd George Papers, House of Lords Record Office, MS F/28/2/8.

[4] Cecil, memorandum, 15 October, 1918; minutes by Cecil and Sir James Macleay, now head of the Far Eastern Department, 22 October, 1918, F.O. 371/3236/176414; Hankey to Hughes, 26 October, 1918, Hughes Papers, N.L.A., MS 1538/111.

5 November minutes of the Imperial War Cabinet when Cecil's memorandum was tabled that: 'This is not true'.[1] Significantly a few days after the receipt of the memorandum, Latham was informed by Hughes that he would have 'plenty of work' to do on the Pacific.

The War Cabinet met in London on the first of November to discuss Hankey's cabled messages from the Versailles Council. The minutes of these meetings for security reasons were withheld from the printed minutes of the War Cabinet and thus have escaped the attention of researchers. Montagu noted that there was no reference to the Colonial Question even though other reservations on the Fourteen Points, 'Freedom of the Seas', and Reparations, had been highlighted. Long supported Montagu, predicting 'serious trouble' if the captured German Colonies were not retained; Smuts and Cecil pointed out that a third reservation on the Fourteen Points might prove fatal. All agreed though that Versailles should be notified of the British War Cabinet's views:

> Following for P.M. Two points in President Wilson's declaration in your memorandum of observations on it seem to call for further notice. If it is too late to include them in agreed Memorandum, War Cabinet hope you will consider desirability of making our views upon them perfectly clear to our Allies and have them formally placed on record. The first is the economic point. H.M.G. ought not to be committed to grant of "most favoured nation" treatment to enemy nations which would prevent fulfilment of our obligations to assist in restoration of Allied territories. Secondly it would be well that our Allies should know that German Colonies will in no circumstances be restored to Germany and that claims of our Dominions to certain of them cannot possibly be waived. Clear reservations on both these points now may prevent misunderstanding later on.[2]

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[1] I.W.C., 36, 5 November, 1918; Hughes Papers, N.L.A., MS 1538.

[2] Draft Minutes, typescript, War Cabinet, 'A' Minutes, 1 November, 1918, CAB 23/14/495 A.

Clemenceau recalled the decisive reasons for accepting the armistice. The troops were completely worn out and that to continue would have cost tens of thousands of lives. The Germans anyway gave up everything, handed over their artillery, their rifles, their prisoners, evacuated France and Belgium:

> We had given the most formal undertakings on this point, and it was on the basis of these undertakings that the United States entered the war - that, once President Wilson's Fourteen Points were granted, we would lay down our arms. The Boches accepted these points. Would you have had us then, in spite of that, in spite of everything, go on with the war? We should have had against us in that case not only Germany but America, England....It would have been madness![1]

Colonel House, therefore, concentrated on the general acceptance of Wilson's conditions. Hankey noted that at this stage it was too late to re-negotiate the terms of the armistice. It would have been very difficult for the Allies to reject these preliminaries of the peace and the discussions in Paris were largely dominated by these considerations.[2] Viscount Esher privately expressed his opinion to Field Marshall Sir Douglas Haig that the acceptance of the 'Fourteen Points' was a cardinal blunder:

> Unwisely, we pledged ourselves far too hurriedly to accept Wilson's fourteen points. Since then we have entered into a cabal with France and Italy in order to counter the policy of the United States.[3]

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[1] Jean Martel, Clemenceau: The Events of his Life as Told by Himself to his former Secretary, (London, 1930), p.146; see also D.R. Watson, Georges Clemenceau: A Political Biography, (London 1974), pp.147-8.

[2] Hankey, Supreme Command, vol.II, pp.854-61.

[3] Viscount Esher to Field Marshall Sir Douglas Haig, 8 December, 1918; cited in Oliver Viscount Esher, (ed.), Journals and Letters of Reginald Viscount Esher, vol.IV, 1916-1930, (London, 1938), p.219.

Despite the urgent telegram sent by the British War Cabinet, the Colonial Question was not included specifically as one of the reservations to the Fourteen Points. Smuts and Cecil may well have been right, another reservation could have proved fatal. There was though, just grounds for complaint by the Dominions and Hughes in particular. Greece and Portugal were represented at these meetings and clearly had played lesser roles than the Dominions. Neither Smuts nor Hughes, the only Dominion leaders available, were invited to these crucial discussions.[1] There was no personal animus on Lloyd George's part against Hughes. If anything this was directed at Montagu. To include either Montagu or Long would have meant inviting Hughes. For his own inscrutable reasons he excluded all of them. In the absence of concrete evidence one cannot be certain but it would appear that the British Prime Minister did not want to be hampered by the presence of a large and no doubt vociferous Imperial delegation.

Lloyd George reported to the Imperial War Cabinet on 5 November. With respect to the Colonial Question he assured the Cabinet that he had maintained that the German Colonies could not be surrendered and that the Dominions would retain those that they had conquered. For the rest, the Allies were prepared to discuss and negotiate. On the 'Fourteen Points', Hughes submitted what was by now a characteristic caveat: he declined 'to be bound to the Chariot wheels of the Fourteen Points' nor would he be a party to a League of Nations whose structure, function and membership were as yet ill-defined.[2]

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[1] Duncan Hall, Commonwealth, pp.171, 230.

[2] I.W.C., 36, 5 November, 1918; Hughes Papers, N.L.A., MS 1538, see CAB 23/8/496.

The day before, Hughes wrote privately to Lloyd George submitting that the north Pacific Islands occupied by Japan should be given up to 'Great Britain for administration by Australia'. His case was the now familiar one of a surrender of all the German Islands to Colonel Holmes at Rabaul in 1914; the current occupation was admittedly provisional; a permanent occupation by the Japanese whom the Australians 'profoundly distrust' would pose a military and naval threat to Australia[1] as well as presenting the Japanese with an admirable opportunity to enter the trade of the south Pacific. Hughes reminded Lloyd George of the American interests in a Japan athwart the communications between the Philippines and Hawaii and no doubt the Dutch in the Indies also would be nervous. He submitted that the declaration by the former Prime Minister of Japan, now in London, Prince Okuma, should not be recognized though it could be raised at the Peace Conference. Hughes admitted to 'certain communications' and 'certain conversations' in 1916 in which he participated but 'since then, much water has run under the bridges and I need not remind you what Japan's attitude towards the Empire in this war has been.'[2] Just two months earlier Hughes had written to Balfour enclosing a cable from Watt that referred to the intense trading activity by the Japanese in the Marshalls: 'These people are everywhere: working assiduously'. Unless the British matched such industry then they would have to withdraw 'like our ancestors from the flat plains to the rugged hills.'[3] Hughes believed the Japanese campaign for the ultimate destiny of the Pacific, now that the fighting had ended, had begun. Prince Okuma, who had been in power when the Islands had been occupied, was obviously conducting a press campaign. The Japanese had been invited to the Versailles negotiations.[1] He too must be active in Australia's interests. Lloyd George in reply to Hughes's lengthy case expressed surprise, in view of the February 1917 assurance given by Britain to Japan, that Hughes would invoke the authority of the Commonwealth to substantiate his submission. Lloyd George then traversed the familiar ground of the Harcourt cables of 1915; conversations with Grey in 1916, concluding with the unequivocal assurances and guarantees of 1917. Britain had no intention of 'committing a breach of faith'. Even if a 'foreign quarter' was successful in its objection to the Japanese retention of the Islands, Lloyd George pointed out that it would be on the basis of '"no annexations"' which would apply equally to the islands south of the Equator.[2] Hughes would have realized this but it had already been decided by the Allies that the German Colonies could not be returned and Hughes, as we shall see, had no faith in internationalization, a condominium, or a League of Nations.

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[1] H. Gill, The Royal Australian Navy, (Australian War Memorial, 1957), pp.258-283, being the Official History, noted that German raiders in 1940 raised their flag on the island of Nauru and were able to refuel from Japanese installations in the Marshalls; they caused considerable damage during their brief period of success.

[2] Hughes to Lloyd George, 4 November, 1918; Lloyd George Papers, House of Lords Record Office, MS F/33/1/44.

[3] Hughes to Balfour, 11 September, 1918; Balfour Papers, F.O. 800/ 203/354 Hughes concluded the letter with a 'Banzai'.

At the Imperial War Cabinet meeting on the sixth,[3] Hughes formally protested at the acceptance of the Fourteen Points in the armistice terms for thus the terms of peace virtually had been concluded.[1] Although Lloyd George admitted that Wilson's Fourteen Points had been accepted it had been on the basis of two major reservations on reparations and the 'Freedom of the Seas'. Further, he argued that the points were so vague and so broad that there was nothing in them to prevent the Allies from gaining all that they cared to put forward. Hughes stuck to his point that 'severe limitations' had been imposed on the terms of peace by such a surrender to Wilsonian idealism.

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[1] Ishii notes that there was 'umbrage by the Japanese people at being excluded from the Council of Four; Diplomatic Commentaries, p.xi.

[2] Lloyd George to Hughes, draft reply to Hughes's letter of 4 November, n.d.; Lloyd George Papers, House of Lords Record Office, MS F/33/1/44.

[3] I.W.C., 36A, 6 November, 1918 and CAB 23/44; the following is based on the draft minutes of that session.

What was worse, the 'British Government had declared war without consulting the Dominions and now they were settling the Peace Terms equally without reference to them'. Lloyd George denied that the Dominions had not been consulted. 'The fact was that Australia was not represented' in 1917 and this clearly was not the fault of the British. Hughes had been begged to send a representative. On his return from Versailles Lloyd George indicated that Hughes was unavailable for a meeting of the Cabinet, a point which Bonar Law corroborated. None of these points would have satisfied Hughes for there had been 'much water... under the bridges' since 1917 and he was not concerned so much with being consulted after the Versailles negotiations as being consulted before it.

Representation at the Peace Conference, Hughes noted, was to be the prerogative of those 'who had made very considerable sacrifices'. Hughes believed Japan could not claim representation on the basis of sacrifices during the

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[1] Colonel House wrote in his own diary, C. Seymour, (ed.); Intimate Papers of Colonel House, (London, 1926) vol.IV, pp.154-5: 'It seems to me of the utmost importance to have the Allies accept the Fourteen Points...If this is done the basis of peace will have already been made'.

War. Lloyd George actually had insisted on Japanese representation as they were '"a very sensitive people."' This was too much for Hughes:

> Why should Japan be included and Australia excluded from the Peace Conference? What sacrifices had Japan made which were in any way comparable with those of Australia?[1]

To this the British Prime Minister replied that at Versailles he had urged on House and Clemenceau the justice of the Dominion claim to representation at the Peace Conference. Already Borden of Canada had cabled his expectation of Canadian representation at the Conference.[2] The views currently prevailing, Lloyd George explained, were that either 'all the Dominions should be represented by one selected Minister' or that 'each Dominion should be entitled to have one representative present when any question was discussed which affected that particular Dominion'.

On the question of reparations Hughes decried the compensation provisions in the Fourteen Points. Under them, it would be impossible for Belgium, France, and the British Empire ever to gain the Reparations to which they were entitled. While German factories were intact, those in occupied Belgium and France had been levelled to the ground.

As far as the post-war arrangements, concerning the League of Nations, Hughes maintained he was for it, if it was just a 'pious aspiration and nothing more'. If it was intended 'to control the British Empire and defend itself

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1. I.W.C., 36A, 6 November, 1918; CAB 23/44.

2. Borden to Lloyd George, Telegram, 2 November, 1918; Lloyd George Papers, House of Lords Record Office, MS F/5/2/24.

as it thought fit' then he was thoroughly opposed to it. Hughes was to be openly contemptuous of Wilson's dream seeing it as a nebulous concept devoid of substance that could hardly face up to the harsh realities of the real world.

Although Amery had been 'deputed to explain' and to pacificate Hughes, he too believed it was a 'serious blunder' that the Dominions were not consulted over the Armistice terms.[1] Long on the other hand pointed out to Munro Ferguson that Hughes's absence in the north was the reason he was unable to attend: 'He was I think a little upset about this'.[2] Hughes was sufficiently put out to detail to Lloyd George the care he had taken to prevent such an occurrence.[3]

While Latham supported his Prime Minister on the matter he considered that Hughes's public protest in The Times was 'undiplomatic and made too much of the personal aspect'.[4] Latham spoke at a 'Round Table' meeting later in the month at Curtis's home where it was conceded that the British Government had 'bungled'.[5] Percy Deane, Hughes's Private secretary, informed his wife that:

> Peace is about to be declared definitely and we are fighting the terms for all we are worth. It looks as if we have been "let in" badly by those who conducted negotiations for us...[6]

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1. Amery, My Political Life, vol.II, p.171.

2. Long to Munro Ferguson, 7 November, 1918; Novar Papers, N.L.A., MS 696/1524.

3. Hughes to Lloyd George, 6 November, 1918; Lloyd George Papers, House of Lords Record Office, MS F/28/27.

4. Latham, Diary, 7 November, 1918; Latham Papers, N.L.A., MS 1009/20/909A; Latham recorded that he and Garran had a 'good discussion' with Hughes afterwards.

5. Ibid., 21 November, 1918; Garran who was there confirms this account; Diary, Garran Papers, N.L.A., MS 2001/3.

6. Percy Deane to his wife, 8 November, 1918; Deane Correspondence, a collection made available through Mrs. R. Deane, Percy's widow, of 8 Mercer Road, Armadale, Melbourne, Victoria.

Fisher believed that a rare opportunity had been missed to demonstrate the reality of imperial unity: 'The great point missed was the place of the growing Dominions in future Empire difficulties'.[1] Garran too, thought that 'untold harm to the Empire' could well be the result of such an 'altogether inexcusable and damnable' decision.[2]

Hughes's 'undiplomatic' protest began with his address at the Australia Club two days after the Cabinet meeting. 'The Dominions', he alleged, 'found out the terms of the armistice in the same way that everybody else has'. The terms were inadequate. On economic matters there were equal conditions for all; there was no special tariff provisions with respect to most-favoured-nation status; raw materials were not even mentioned. Australia with sixty thousand dead, a War debt of three hundred million pounds plus interest, pensions and repatriation allowances to service, had no guaranteed provision from the terms of the armistice. There were no provisions for an indemnity. The Allies' future was mortgaged. Yet Brest-Litovsk had demonstrated what the Germans would have done. Nor was there any statement on the German Colonies:

> I demand it be stated in the peace document that those islands shall be given to the people whose existence depends on their possessing them. (cheers).[3]

The following day Hughes, who had been fortified by the Australian Cabinet's support of his stand, published his rebuttal of the armistice terms in The Times. On the same page was printed the 'Official Reply' to Hughes's letter. In the latter, much was made of Hughes's absence from the 1917 Imperial War Council that had discussed War Aims. Hughes had attended the 1918 session. There had been no promise or provision in the armistice terms signed at Versailles that was inconsistent with the decisions of the Imperial War Cabinet. Nothing had been precluded and nothing prejudiced. Moreover the British Government had 'every intention of associating the Dominions and India in the final terms of peace'.[1] All this was technically correct, but as Garran noted, 'very lame'. Hughes's 'smashing reply' he recorded was that these were 'general talk about a remote possibility'.[2] Further, as Hughes's letter pointed out, the Fourteen Points had never been discussed in this light nor were they ever agreed to by the Imperial War Cabinet. Hughes though, could now confidently state that 'my Government' was not satisfied with specific aspects of Wilson's formula.[3] The Australian Cabinet was unanimous in its condemnation of the situation whereby the 'conditions of peace should have been decided without consultation with the Dominions'.[4] It was considered to be 'a painful and serious breach of faith'. Hughes also privately conveyed these sentiments of the Australian Cabinet to Lloyd George.[5] On Thursday, the fourteenth, Hughes delivered a most powerful address on the subject at a lunch given by the agents-general at the British Empire Club. This appears to be the address cabled, some ten pages, to Watt. It was a comprehensive and detailed outline of the case he now had been pressing for weeks. He wound up with a peroration that impressed even Latham who was by no means a Hughesite:

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[1] Fisher to Maggie *(Mrs. Fisher)*, 7 November, 1918; Fisher Papers, N.L.A.

[2] Garran, Diary, 9 November, 1918; Garran Papers, N.L.A., MS 2001/7.

[3] The Times, 8 November, 1918.

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[1] The Times, 9 November, 1918.

[2] Garran, Diary, 9 November, 1918; Garran Papers, N.L.A., MS 2001/7/216.

[3] Hughes to Watt, 6 November; Watt to Hughes, 8 November, 1918; C.A.O. CP 360/8 bundle 1.

[4] See also The Times, 7, 8, 12, 14, 15, November, 1918 for comments on Hughes's public statements at various gatherings.

[5] Hughes to Lloyd George, 9 November; Lloyd George to Hughes, 11 November, 1918; House of Lords Record Office, MS F/28/2/9-10.

> ...we, who are conquerors, we, who have suffered so much, who have given up those rights for which we went to war, to have not set out in the bond *(armistice)* that the islands shall be ours, that our rights to make economic treaties should remain, that indemnities should be exacted, is to me inexplicable. I can only regret from the bottom of my heart that this thing should have been done. Australia stands after four years of dreadful war, her interests greviously imperilled, her rights of self-government menaced, and with no provision made for indemnities. That is the position and it can hardly be regarded as satisfactory.[1]

Amery was most concerned and upset at the turn in events. 'Hughes is in a very troublesome frame of mind', he warned Lloyd George and urged him to write personally to Hughes assuring him that Britain recognized Australia's right to partnership at the forthcoming peace settlement and that Australia's interest would be 'as fully and effectively voiced and represented as those of the United Kingdom.'[2] Australia's 'legitimate claims to security and its full liberty of action in the sphere of trade and economics' would be preserved. In memoranda he urged Dominion representation at the Peace Conference: 'The extent to which the Dominions are given a really effective voice in the Peace Settlement' he argued, 'will determine their whole outlook on Imperial questions in future'.[1] The 'incident of Mr. Hughes's protest', Amery further argued, demonstrated that 'the question of form' in these matters had become of real importance. It was thus absolutely vital that no step 'no matter however unimportant it may seem at the moment' should be taken that in any way remotely concerns the Dominions without them having been 'explicitly consulted or in which they have not formally participated.' Thus he urged direct representation of the Dominions and India in the British delegation at the Peace Conference.[2]

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[1] Hughes to Watt, 16 November, 1918; C.A.O., CP 360/8 vol.2; Garran, Prosper the Commonwealth, p.252.

[2] Amery to the Prime Minister, n.d., but early November 1918 with attached draft of letter for Hughes; Lloyd George Papers, House of Lords Record Office, MS F/2/134.

By now, Hughes's extended public criticisms began to draw the fire of opponents, critics, and colleagues back in Australia. Munro Ferguson cabled to Long that Watt had expressed to Hughes his disapproval of a public attack on Lloyd George and the British Government.[3] After the armistice Watt urged that the public criticism of the Imperial Authorities should stop lest the bonds of Empire should be injured. Moreover, in view of the delicate political balance in Australia he could 'seriously prejudice *(himself)* and Government'. This was in the light of Hughes's expressed statement that he would continue to protest at the 'farce and sham'[4] of the Imperial War Cabinet. Watt went even further:

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[1] Amery, Memorandum, 14 November; Balfour Papers, B.M. Add MS 49775, ff, 191-4.

[2] L.S. Amery, Memorandum, 'Representation of the Dominions at the Peace Conference', 14 November, 1918, Ibid.

[3] Munro Ferguson to Long, cable, 9 November, 1918, CAB 24/70.

[4] Hughes to Acting Prime Minister, 13 November, 1918; C.A.O., CP 360/8 item vol.2.

> We think that a claim either express or inferential of the right of Dominions to representation on Versailles Council cannot be sustained. This view applies of course also to Peace Conference if you are thinking of it in the same way. If our conception of your attitude on this matter is correct, your colleagues ask you to reconsider this phase very carefully.[1]

Munro Ferguson considered that Watt had defended Hughes very well in Parliament. The Governor-General informed Long that Hughes had just written to him in his 'inimitable Welsh biblical style' and had dealt with everything except the 'Channels of Communication' and his 'grievances re Peace Conference'. Munro Ferguson noted that Hughes was supported by Sir Joseph Cook but he considered Hughes had 'put himself in the wrong by attacking President Wilson through the Home Government'.[2] Privately, to his diary, although he acknowledged that Hughes's press campaign was in the same vein as that which 'Lloyd George has long carried on in England' and which he suspected Watt was conducting in the Melbourne Herald he believed that:

> Hughes has done the most mischievous thing possible and exposed his flank to all his enemies in a deliberate endeavour to stir up bad blood between England and Australia....One can never forgive him for this despite his personal charm and friendliness....I shall tell Watt that if anything happens...he will doubtless consult Hughes to whom I gave a commission...[3]

That this was a momentary fit of pique is clear by his praise of Hughes's efforts at Paris:

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[1] Watt to Hughes, 14 November, 1918; Ibid.

[2] Munro Ferguson to Long, 16 November, 1918; Novar Papers, N.L.A., MS 696/1091.

[3] Munro Ferguson, Diary, 20 November, 1918.

> I am not a convert to "open diplomacy" and was naturally shocked by Mr. Hughes's outburst over the Armistice. But my heart warms to him now in his attacks on the "high falutin" of Wilson...[1]

On the other hand, Latham who was on the spot wrote to Philip Kerr, commenting that the people of the Dominions will be justified in believing that they cannot safely trust the leaders of Great Britain'.[2] For his address to the 'Round Table' a little later he jotted down his rough outline:

> (1) Promise broken
> (2) Hands of separatists strengthened
> (3) Imperial War Cabinet and consultative system on which it is based has been proved to be deceptive...

The 'Western and General Report' instituted by Amery, was part of the machinery to inform authorities in the Dominions of events of imperial interest during the War.[3] They ranged from extracts of confidential memoranda such as Cecil's on the north Pacific Islands[4] to press and parliamentary opinion. The Reports followed in some detail Hughes's protestations over the terms of the Armistice. Thus just after the Armistice the Report included the resolutions of the influential Returned Soldiers League, the Premier of Tasmania, and the Legislative Council of New South Wales, all supporting Hughes's unequivocal stand on the terms of the Armistice, Reparations, and German New Guinea.[5] By the end of the month the Report noted that the Western and South Australian Parliaments, the Melbourne, and Newcastle Chambers of Commerce, all supported the policy of retention of German New Guinea, some form of reparations and certainly a voice in the ultimate terms of peace.[1] Most importantly the Report detailed the debate in the Australian Parliament initiated by Watt's motion on the fourteenth.[2] Watt demanded that Australia should be consulted 'in the consideration and determination of proposals affecting' German New Guinea and that in no case should they be restored to Germany. In terms so redolent of Hughes, Watt outlined the Australian case. Not only should the Islands be retained or administered by Australia for the legitimate reasons of national security but as it was impossible to obtain an indemnity or suitable reparations Australia must 'hold in pawn some territory that would relieve the debt' of Australians. Watt concluded by enunciating in his own way a Monroe Doctrine of the South Pacific for Australia:

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[1] Munro Ferguson to Long, 3 February, 1919; Novar Papers, N.L.A., MS 696/1561.

[2] Latham to Kerr, 9 November, 1918; Latham Papers, N.L.A., MS 1009/19/25. Kerr was Lloyd George's private secretary, and a member of the 'Round Table'.

[3] Rough Notes, Latham, address, 21 November, 1918; Ibid.,

[4] See Guinn, British Strategy and Politics, p.192; This appears to be part of the 'new imperialism' of Milner, Kerr, Curtis & Co.

[5] 'Western and General Report', no.93, 7 November, 1918; Hughes Papers, N.L.A., MS 950/2.

> We appeal to the statesmen of the mother country to see that we get a chance of working out our destiny without fear and trembling, by placing the future destiny of the Pacific Islands in the Peace Bond.[3]

Significantly, the Labour Leader of the Opposition stated he would not vote against the motion upon the assurance that the administration of the Islands was a necessary defence measure. Thus the motion was passed without a division in the Representatives and unanimously in the Senate.[4]

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[1] No.96, 27 November, 1918, Ibid.

[2] C.P.D., vol.LXVI, p.7835, ff.; see report in The Times, 21 November, 1918; and summary in 'Western and General Report', no.95 20 November, 1918, Ibid.

[3] C.P.D., vol.LXVI, p.7838, 14 November, 1918.

[4] Ibid., 15 November, 1918.

Tudor's acquiescence was on the expressed understanding that Australia was not 'out for land-grabbing'. He believed, anyway, that the League of Nations would provide the security that was the concern of the Government. He cited the solution that A.B. Piddington suggested in The Age the day before. Piddington suggested that C.E.W. Beam's notion of a 'league of all the belligerents' to prevent wars would guarantee the security of small nations in the post-War period; thus Australia in nominal control of the Islands, having stamped out the old German rule, could safely allow the German plantations, commerce, and trade to remain. Such a magnanimous gesture would help heal the wounds, help the formation of a German democracy, a veritable Weimar Republic that alone would ensure the end of German militarism.[1] Hughes, who also was an admirer of Piddington, would have agreed that a Germany which retained its 'Prussian militarists' was not to be trusted but he had no faith in the 'new diplomacy' based on a 'League of Nations'.

There were those in the Labour Party who did hold to 'internationalist' solutions to the problems that beset twentieth century societies. The Commonwealth Conference of the 'Labor' Party meeting in Perth in June 1918 resolved:

> That this Conference representing the whole Australian Labor Party, expresses its earnest hope that, in negotiating for peace Britain will not be delayed or embarrassed by the statement that Australia insists on the retention of the captured German possessions.[2]

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[1] Letter to the Editor, the Age, 14 November, 1918; he was at the time, Chief Commissioner, Inter-State Commission.

[2] 'Report of the Seventh Commonwealth Conference of the Australian Labor Party, 1918', pp.47-48. This spelling of 'Labor' was the contemporary usage.

Yet the Labour Party had allowed Watt's motion to go through without a division. Critics of Hughes though, did speak up in the latter stages of the debate. J.M. Fowler, a notorious critic, who, although he supported the motion, believed that it was not as necessary to strengthen Hughes's hand as it was to 'close his mouth'.[1] Fowler for much of 1918 had carried out a one man campaign against the Prime Minister. He had written to Sir George Reid, the former High Commissioner, submitting an article to him for the Fortnightly Review that was calculated to expose Hughes 'putting the calamitous little man in his true light'. He urged Reid to inform Lord Grey of Hughes's assertions at the secret session of Parliament concerning Japan's so-called 'hostile intentions', for Fowler alleged that Hughes had cited Grey as his authority.[2] The article evidently was not accepted by any reputable or acceptable journal as Fowler proceeded to publish it privately. A small booklet in large print, it addressed itself to the question of whether Hughes was a 'statesman or mountebank?' Fowler acknowledged Hughes's reputation abroad. It was for this very reason he was writing so that English readers, and the general public, should realize that Hughes's leadership had been 'disastrous'. The main burden of his argument was the lack of leadership displayed over the conscription issue.[3] Fowler acknowledged that:

> There was much perfervid rhetoric from Mr. Hughes about the Empire, its dangers, its difficulties and glories, about the valour of Australian soldiers and the vital necessity of supporting and reinforcing them.

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[1] J.M. Fowler, C.P.D., vol.LXVI, p.7846, 14 November, 1918.

[2] Fowler to Reid, 1 August, 1918; Sir George Reid Papers, N.L.A., MS 2242.

[3] J.M. Fowler, Statesman or Mountebank? An Australian Study, (Melbourne, 1919).

However, in the face of this and the failure of conscription, he refused to adopt measures that were in the Government's power, so as to enforce conscription. For Hughes there would be another referendum only if 'some great defeat *(placed)* our existence as a free people in deadly peril'.[1]

In much the same vein, the Bulletin, an example of the 'scurrilous press' in Australia as Munro Ferguson so aptly described it, in an article entitled 'Our Ambassador Hughes' was dismayed that he was 'persona grata with a large section of the British people'. That he should speak in Britain as though he represented 'the measured opinions of free Australians', was even more intolerable.[2] The Argus, a reputable newspaper but opposed to the Murdoch press, believed that Hughes 'was making too much of punctilio and wounds to his amour propre and was not supported by other Dominions'.[3] The Times, London, cited its namesake in New Zealand which labelled Hughes's non-consultation charges as 'ridiculous'.[4] Nor did the Sydney press, Hughes's home town as it were, support his outspoken behaviour on this occasion. The Sydney Daily Telegraph regretted that 'in the solemn joy of a world delivered from darkness and slavery one discordant note should be heard and that it should sound in a voice purporting to be that of Australia'.[5] The Sydney Sun did not spare him either:

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[1] Ibid., Fowler no doubt was referring to his own letter to the editor in the Age, 22 July, 1918, where he advocated the 'American method of compulsory ballot'. I have already cited legal authorities, Keith and Evatt, who considered such enactments, in view of the political climate highly inadvisable.

[2] The Bulletin, 14 November, p.7 and 12, December, 1918, p.7.

[3] The Argus, 19 November, 1918.

[4] The Times, (London), 14 November, 1918; p.5, citing the New Zealand Times.

[5] The Daily Telegraph, 13 November, 1918.

> Nervous control and a sense of proportion are absent from (his) infantile brain. If a fly settles on the nursling's nose, there is a yell. If an alligator were to bite its leg the yell could be no louder...Peace with victory came in sight - and nobody consulted Mr. Hughes on the terms of the tariff clause! The lives of a million more men were at stake - and nobody asked Mr. Hughes whether camisoles n.e.i., were to be taxed at 10 or 20 per cent ad valorem! The noise made by Mr. Hughes has been utterly disproportionate to the occasion and sorrowfully inopportune. We know our Mr. Hughes ...But we feel a little ashamed that the world should perceive him in the caricature so familiar to us - something small and grotesque, screaming and chattering at the top of a long pole. If Mr. Hughes had not existed it would have been necessary for Mr. David Low to invent him.[1]

In Britain too, his remarks were seen as being in poor taste. As Long informed Munro Ferguson, he was pleased to see that the press support he received in Britain was only from those who were 'ready to take any weapon with which to attack Lloyd George.'[2] The sympathetic Manchester Guardian assured Hughes that they were certain that 'no Australian interest will be sacrificed and her splendid deeds will get full recognition'.[3] But it could not accept him alone as the 'inspired spokesman' of Australia.[4] The Times, in its editorial, the day Hughes published his letter, considered that in speaking out and in publishing, Hughes was to be commended.[5] There was no fault in this. But the editor 'was bound to say' that he did 'not think that Mr. Hughes's case is unanswerable'. The Sydney correspondent of The Times argued that 'it was not supposed that Hughes would be consulted before the Armistice,' and anyway, the fact that the other Dominions were not included would suggest that 'they did not share his fears'.[1] The Westminster Gazette admitted that someone had 'blundered badly' but was just as critical of Hughes as of the Government.[2]

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[1] The Sun, 17 November, 1918.

[2] Long to Munro Ferguson, 13 December, 1918; Novar Papers, N.L.A., MS 696/1534.

[3] Cited in the Argus, 11 November, 1918.

[4] Cited in the Sydney Morning Herald, 11 November, 1918.

[5] Editorial, The Times, 8 November, 1918.

The remarks of the press certainly reveal how little newspaper correspondents really knew of the events they reported. There was no doubt as we have seen, that Lloyd George deliberately avoided Dominion and Indian representation whether it be Long, Montagu, or Hughes or even Smuts in the pre-Armistice discussions. And certainly Hughes proved to be right. To include the Fourteen points in the Armistice terms was to settle virtually the terms of the peace and this fact was to bedevil the peace-makers at Paris. Hughes though, was not one to desist in the face of published criticism. Just as Munro Ferguson had noted that Lloyd George had used the press for many years so Hughes was adept at utilizing its power for his own policies:

> As a result of my impious criticism of the manner in which the High Priest of the Sacred People carried out - or failed to carry out - their *(sic)* sacred duties, there has fallen on my sacred head much abuse and boycott. But all that I said was amply justified and we are getting better treatment, but of course Wilson's 14 points!! Why the devil they did it no man knows...[3]

However, Watt continued to be embarassed and said so, in no uncertain terms:

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[1] The Times correspondent in Sydney, 15 November, 1918; The Times, 20 November, 1918, p.5.

[2] Cited in the Argus and Sydney Morning Herald, 11 November, 1918.

[3] Hughes to Munro Ferguson, 14 December, 1918; Novar Papers, N.L.A., MS 696/2747.

> We consider that Australian and general Dominion interests would be best served by strong representations being made by the Prime Minister on behalf of his Government to the British authorities in usual way, and not in the form of a series of public protests or complaints. The letter form is equivalent to hanging the British family linen on the line for the information and amusement of other nations, including enemies. It also means that Dominion ambitions are likely to be exaggerated and misunderstood, and the ties of Empire are likely to be injured, if not broken.[1]

Of greater consequence, at this point, however, was the Australian Cabinet's view that the claim by the Dominions for representation at the Peace Conference was considered 'unreasonable and cannot be supported by Cabinet'. Watt pointed out that he did not propose to ask Parliament to carry any resolution claiming representation 'of Dominions as Dominions. We feel that it would be impossible to pass such a resolution'. Watt must have suspected that Hughes would persist anyway and so he concluded this formidable rebuke by pointing out that:

> We feel that we are not justified in letting you go straight ahead on the course you have marked out, without saying even more plainly than in my previous cables what our opinions are. I personally earnestly trust that you will give due weight to them and advise me result urgent.[2]

Hughes's closest friend and colleague wrote privately to him on the matter. Whether Pearce was deputed to do so or wrote out of anxiety is a matter for conjecture. He urged that the Cabinet's 'non-insistence on direct representation at Conference but insistence on consultation in War Cabinet' should be the course to be adopted. He believed this would effect the object and would 'carry all the Commonwealth' with him.[1]

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[1] Watt to Hughes, cable, 19 November, 1918; C.A.O., CP 360/8/2.

[2] Ibid.

Understandably Pearce and Watt were out of touch with events in London; this over-cautious, subservient stance is explicable in this situation. It was clear to Hughes and Borden where the logic of events was leading. Both throughout the War had angled and pressed for greater consultation before events had taken control of policy; both latterly had pressed for a change in the 'Channels of Communication'; the Dominions now had won the right of direct communication with the Prime Minister of Great Britain. Currently Hughes had publicly demonstrated that despite being a member of the Imperial War Cabinet and thus in the closest consultation with the decision-makers, a small Dominion could be over-looked where it counted most-at the conference table. Borden and he already had signified their hope and expectation of a voice at Paris. Indeed, Lloyd George himself had admitted their right to this. On armistice day Lloyd George's declaration on this point was published in the Argus:

> We must not forget what we owe to our sturdy overseas children. Their share in victory has been conspicuous, and they must have a voice equal to their sacrifice. Nothing done at Versailles will preclude us from pressing, as we intend to do, all the Dominions' claims. They have won a place at the council table.[2]

In marked contrast to the Australian Government's nervousness, the Canadians, the 'senior' Dominion, early in December repeated their expectation of representation of some sort at

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[1] Pearce to Hughes, cable, 26 November, 1918; Pearce Papers, Australian War Memorial, MS 3/3, item 32.

[2] The Argus, 11 November, 1918; also Sydney Morning Herald, same date.

Paris, authorizing Borden to continue to press for this.[1] This vital point will be taken up in some detail in the context of the Paris Peace Conference.[2]

The third session of the Imperial War Cabinet which began on the twentieth of November was notified of the impending Allied discussions preliminary to the Paris Peace Conference. Thus it was necessary to thrash out the British viewpoint on various matters. Hughes, as was his wont, participated in the whole gamut of topics. On the question of the fate of the ex-Kaisar he took the strictly legal and practical view that he could be tried only for specific crimes against existing laws such as crimes against international law rather than the rebulous and general one of crimes against humanity.[3] It was something of an academic point as the ex-Emperor was safe in exile in Holland. But this legalistic view was to characterize much of Hughes's approach to questions relating to the Peace.

Shortly after this meeting Long wrote to him reminding him that he was to put forward the Australian case on the German Colonies at the Inter-Allied Conference to be held in the first week of December.[4] Balfour had prepared a memorandum for the benefit of the absent New Zealanders to the effect that the British policy was to insist that the conquered German Colonies should not be returned.[1] On the north Pacific Islands, Macleay, now Head of the Far Eastern Department, noted that Britain would support Japanese retention, despite Hughes's strictures. Opposition at Paris was 'only likely to come from America', and would be based on the policy of "no annexations" which logically would apply to German Colonies south of the Equator which Australia fully expected to retain:

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[1] Acting Prime Minister, Ottawa, to Borden, 4 December, 1918; Lloyd George Papers, House of Lords Record Office, MS F/5/2/24.

[2] See below, chapter Three I.(d).

[3] I.W.C., 37, 20 November, 1918; CAB 23/43; this in fact was the approach adopted by the Cabinet - see Lloyd George, The Truth About the Peace Treaties, (London, 1938).

[4] Secretary of State for Colonies to Hughes, 23 November, 1918, C.O. 537/1016.

> In the event therefore of such objection being raised by America it is surely to our advantage to support the Japanese claim in order to count on the support which they are pledged to give us in return in respect to our retention of the islands south of the line.[2]

Cecil approved of this minute and thus it was adopted as the British case at Paris.

Meanwhile Australian Intelligence had been active in pursuing its own assessment of the position in the Far East and the Pacific. Piesse, still Director of Military Intelligence, but seconded to concentrate on Pacific Questions noted that there were two schools of thought in Japanese foreign policy: the Continental School and the Nanyo *(Southern)* School. The former was the avowed policy of the Government. It was Kiawchow and China in general that were Japan's main aims and not expansion into the south Pacific. However American policy would threaten these major aspirations of the Japanese and thus it was probable that the Nanyo proponents would come to the fore and thus the relations between Japan and Australia would arise. Piesse though, placed no trust in British policy:

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[1] Balfour, Memorandum, 25 November, 1918 F.O. 800/385/31.

[2] Minutes by Macleay and Cecil, 14 November, 1918; F.O. 371/3236/176414.

> There seems to be a blight over British policy in the East - Some British representatives are not in sympathy with our interests...we should supplement by our own arrangements the information we now get from British sources.[1]

Latham's memoranda on the Pacific, expressing the views of Naval Intelligence, appear to have been used by Hughes at this crucial stage of events. He congratulated Latham, remarking that they were 'being much read'.[2] It should be noted that Latham was also in contact during this period and through the Peace Conference with Thring and Piesse, Australia's chief Intelligence experts.

Also at this time Australian Defence authorities had themselves formulated their own aims for submission to Pearce and the Cabinet. This report issued by Admiral Creswell differed in one major respect from the previous memo on the subject by Foster in 1917.[3] Now it was considered that not only should the German Pacific colonies south of the equator be retained but it was recommended that 'those north of the equator be also retained or held by an international authority'.[4] There is no indication that Cabinet ever considered this report. A few days later Watt cabled the unanimous views of Cabinet. They opposed any international control, preferring British rule and best of all 'control should be vested in the Commonwealth'. There was no reference to the Islands in the north Pacific. Hughes was asked to confer with Cook on the matter and to advise Watt as to whether 'your views coincide with the above proposal'.[1] There was good reason for this latter request because of the reports during the month that there was a deep rift between them. A joint cable was sent to refute the Age's insinuations.[2]

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[1] Piesse, Director of Military Intelligence, memorandum for the Minister *(Defence)*, secret, 'The Far Eastern Question and Australia', 22 October, 1918; C.A.O., CRS A981, Far East 9.

[2] Latham, Diary, 3 December, 1918; Latham Papers, N.L.A., MS 1009/20.

[3] Colonel Legge had resumed his post as Chief of the General Staff; Creswell and Legge were the two main members of this No.1 Standing Committee of the Australian Defence Council.

[4] Creswell, 'Report of the No.1 Standing Committee (Operations), Council of Defence, 27 November, 1918; C.A.O., Melbourne, MP 729/1 file 1851/2/81,

However there is no doubt that Cook at this time did not perform to expectations. Long reported to Munro Ferguson that Cook 'lacks the commanding vigour' essential in a statesman'.[3] Latham, the closest to Cook in Britain recorded in his diary in November that:

> Sir J. generally grumpy - getting very sulky and ill mannered-complaints of public neglect-all his own fault due to his mediocrity self-satisfaction idleness and discourtesy. [4]

Latham did note that Cook was not very well and generously attributed part of his disappointing performance to this. The War did exact heavy toll, as we have seen, on the Australian leaders. Cook's incompetence infuriated Latham who was on the point of resigning and returning to Australia unless Cook 'was going to be right in *(the)* Peace Conference so that I would have important work to do'. Cook quickly gave that assurance.[5]

Cook's indifferent efforts would have placed a greater burden of responsibility and work on the Prime Minister who had lost confidence in his lieutenant. In July, Hughes

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1. Watt to Hughes, cable, 30 November, 1918; C.A.O. , CP 260/8/2.

2. Prime Minister and Minister for Navy to Acting Prime Minister, 28 November, 1918, C.A.O., CP 360/8, bundle 1; also refuted in The Times 15 November, 1918.

3. Long to Munro Ferguson, 26 August, 1918; Novar Papers, N.L.A., MS 696/1511.

4. Latham, Diary, 15, 22 November, 1918; Latham Papers, N.L.A., MS 1009/17.

5. Latham, Diary 28 November, 1918, Latham Papers, N.L.A., MS 1009/17.

himself, had to cancel engagements owing to a curious ailment. He told Munro Ferguson that:

> I've had my head swell-no not from adulation - nor from sandbite - to a most prodigous size: doctors differing gloriously diagnose it as erysipelas neuralgia eczema and God knows what...and I've had Spanish influenza.[1]

Hughes though did have the services of his indefatigable and youthful private secretary, Percy Deane. Even he wilted under the strain as he commented to his wife:

> Do you know I have not had a single day away from him since we left Australia. I am very afraid and cranky; quite tired....Last Sunday I put on 14½ hours solid, finished completely done up. Just now I'm mutinous...[2]

Garran who was a must industrious and brillant worker himself, corroborated Deane's racy account.[3] Both evidently were indispensible to Hughes for Garran too spent long hours on memoranda for the use of his leader. Hughes acknowledged this:

> At Paris Hughes said that the best way to govern Australia was to have Sir Robert Garran at his elbow, with a fountain pen and a blank sheet of paper, and the War Precautions Act.[4]

The memos of two extremely capable aides, Latham and Garran, certainly played a most useful if not a vitally important role in Hughes's public pronouncements and arguments at Paris. All this is not to detract from Hughes who clearly was the leader of the team, the dominating personality of the Australian delegation whose presentation, forcefulness in debate, in committee, and in conference, were so necessary for the success that was secured.

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1. Hughes to Munro Ferguson, 19 July, 1918; Noyar Papers, N.L.A., MS 696/2722.

2. Deane to his wife, 2 December, 1918; Deane Correspondence.

3. Garran, Diary 23 December, 1918; cited in Prosper the Commonwealth, p.255.

4. Eggleston, 'Confidential Notes', p.8; written well after the events and deposited in the Menzies Library, Australian National University.

'So they gave their bodies to the Commonwealth and received each for his own memory praise that will never die and with it, the grandest of all sepulchres, not that in which their mortal bones are laid, but a home in the minds of men, where their glory remains fresh to stir up speech or action as the occasion comes by. For the whole earth is the sepulchre of famous men; and their story is not graven only on stone over their native earth, but lives on far away, without visible symbol, woven into the stuff of other men's lives'.

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1. Pericles, funeral oration, Thucydides, The Peloponnesian War, cited by Latham, Hotel Majestic, Paris, to Lieutenant Allen, n.d., but 1919; Latham Papers, N.L.A., MS 1009/21/1447.

CHAPTER THREE: PARIS.

I PRE-CONFERENCE DEBATES. (a) The Imperial War Cabinet Debates the Peace Conference.

It is convenient to begin the discussion of Hughes's policies and performace at Paris, with the first of the Imperial War Cabinet meetings that specifically was devoted to a discussion of Peace Conference arrangements, the most important of which was the Allied conference to be held the following week.

The League of Nations and Reparations engaged Hughes's attention. On the former, he preferred a League of the Allies rather than the Wellesian utopia that was the dream of Wilson. Most important was an alliance between the two great anglo-saxon powers which with France would provide the much wanted guarantee of peace and freedom for the up and coming generation. Little wonder therefore that Australia was one of the first nations to ratify the Treaty of Guarantee. This Treaty later was nullified by the refusal of the United States to ratify the League of Nations. Hughes feared that Wilson's League based on a form of morality that discounted the vital interests of a nation, could possibly threaten the very existence of the Australia he knew and wished to preserve. Thus it could be argued that a nation of five million did not have the 'moral right' to refuse the Japanese and Chinese from coming to settle in such an under-populated and under-developed land. Or, India could be self-governing almost immediately on the basis of this reasoning from 'moral rights'. National self-interest, Hughes pointed out, dictated a refusal to acknowledge a new system that would have the power to arbitrate on purely domestic issues.[1]

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1. I.W.C., 38, 26 November, 1918: CAB. 23/43.

On Reparations, as matters stood, Hughes predicted that a nation like Belgium would recoup much of the losses caused by the devastation of the War. A country like Australia many miles from the scene of the military operations, and which had, given its population, contributed much, however, was likely to get nothing. This line of reasoning dictated Hughes's harsh approach to the reparations issue. The higher the figure the more likely the Dominions would have something to show and be able to service the debts and financial commitments arising out of the War. Lloyd George closely questioned Hughes on how he envisaged that Germany would pay, say, 'Australia 300 millions'. Hughes had no real answer to Lloyd George's consistent and basic argument against a high reparations figure. The conventional economic wisdom of the day was that a nation could pay a debt such as reparations only by gaining a surplus in its international trade operations. This would mean 'dumping' German goods in the markets of the world and no Power would tolerate this. The second prong of this argument was that for Germany to manufacture the goods for overseas trade, she would require raw materials, which materials could be denied them by some nations. Even if they did acquire raw materials, German goods selling in the British market would be at the expense of British workers who would be put out of work - something Lloyd George was not prepared to contemplate. Hughes admitted the difficulty. Lloyd George suggested that since Hughes had raised the whole issue he might like to serve on the committee to prepare the British case for Paris. After some verbal sparring Hughes was nominated as chairman; Foster, the only other name suggested as chairman, and Long, were the other members of the Cabinet selected.[1]

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[1] See below, pp.251-2, for details concerning the other members of this committee.

The brief for this committee was a consideration of an indemnity to be exacted from the enemy with special reference to the amount, the means of payment and subsequent effect on the Allies. The committee met between 27 November and 10 December when its report was produced and discussed some weeks later in the Imperial War Cabinet.[1] In the interval, the Imperial War Cabinet held conversations with Allied leaders. British Ministers were extremely busy engaged in a 'khaki' election called by Lloyd George to secure the maximum political leverage which the victorious conclusion of the War provided.

The representatives of the British, French and Italian governments met on the second of December, without any representative of the United States, Colonel House being 'reported' ill.[2] The following day the Dominion representatives were included. As Hughes dryly informed Watt, they were called in to ratify what had been decided.[3] Hughes ~~however~~ did query the Allied resolution concerning the representation of the Dominions. At this stage it was

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1. See below for a full discussion; Chapter Three, I, (b).

2. I.C. - 98 (a), 'Conclusions of an Allied Conversation', 2 December, 1918; C.A.O., CRS A981, item Imperial Conferences 104.

3. Hughes to Watt, 10 December, 1918; C.A.O., CP 360/8 item vol. 2; see also Lloyd George, The Truth about the Peace Treaties, 2 vols. (London, 1938), vol.I, pp.131-47; C. Seymour (ed.), The Intimate Papers of Colonel House, 4 vols., (Boston, 1926-8), vol.IV, 257-9; and Hankey, Diary, 4 December, 1918, cited in Roskill, Man of Secrets, vol.II, pp.28-30.

proposed that the five major Powers, including Japan, should have one delegate each and that the Dominions and India could speak on questions relevant to their situation. It was generally agreed that on matters affecting Australia she should be represented.[1] Borden appears now to have taken up the running concerning representation. The next day he received the Canadian Government's assurances and expectation of Canadian representation and indeed of all the Dominions in a 'special representation' in view of 'the unique character of the British Commonwealth'.[2] The same day, Hankey records, Hughes protested most vehemently over the decision of the Allied Powers to try the Kaiser when the Imperial Cabinet was expecting to continue their discussions on the matter. Borden informed Hankey that :

> if this decision was published there would be nothing left for him to do but to pack his trunks, return to Canada, summon Parliament, and put the whole thing before them...[3]

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1. I.W.C., 41, 3 December, 1918; Hughes Papers N.L.A., MS 1538. See Scott, Australia in the War, p.752, who cites Hughes, Splendid Adventure, p.95.

2. Acting Prime Minister, Ottawa, to Borden, 4 December, 1918; Lloyd George Papers, House of Lords Record Office, MSF/5/2/24.

3. Hankey, Diary, 4 December, 1918; cited in Roskill, Man of Secrets, vol.II, pp.29-30.

Hankey immediately apprised Lloyd George of the explosive situation and pointed out to him once more that:

> He could not have Borden without Hughes as Australia had made the same sacrifices as Canada. But the warning seemed to fall on deaf ears.

Hankey turned now to Long, imploring him to advise the Prime Minister not to assure Borden of a place without Hughes. However Lloyd George had already offered Borden a place in the British Delegation '"if he could secure the consent of the other Dominions"'. As Hankey noted, this was a grossly unfair condition as 'the Dominions are as jealous of each other as cats'. Borden saw Hankey later and having calmed down, let him know that the Prime Minister had '"wangled"' him and promised 'representation on the panel system.'[1] Thus Hughes could report some days later that the Dominions after all were to have 'direct representation upon all matters affecting them' at the Peace Conference.[2]

Trevor Wilson records that twenty-four hours after the termination of hostilities Lloyd George announced his intention of going to the polls. He resolved to hold a 'Khaki' election. His gamble, if it was one, paid off. The Coalition Government headed by Lloyd George and Bonar Law scored a smashing victory. Of the 540 odd Coalition candidates for the Commons, only fourteen were defeated giving the Government an immense majority of over 530 in a House of some 700 or so seats.[1] The Liberal Party inevitably was torn asunder by the election; even Asquith lost his seat of East Fife that he had held for years.[2] If anything, the result was a decisive move to the right. Outside the Coalition, the Liberals of the Asquith and Grey ilk, who had dominated British politics for a decade and who were most receptive to Wilsonian ideals ceased to be an effective force in British politics. Thus the election result was something of a revolution for henceforth the Labour Party became the representative of the Left in Britain.

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[1] Ibid.

[2] Hughes to Watt, 10 December, 1918; C.A.O., CP 360/8/2. Borden in his Diary, 20 November, notes that the New Zealanders, Ward and Massey, pushed their claims for representation; Smuts and he 'agreed it was absurd'. Memoirs, p.868. See below, Chapter Three, I, (d).

Commentators in general agree that this election centred on Lloyd George. The question was should he be given a mandate to continue in office?. He was 'the man who won the war' who now pledged to make Britain a nation 'fit for heroes to live in'.[3] As Montagu informed him, 'there has never been an election like this in its one man nature'.[4] Lloyd George without doubt was the dominating personality. The Opposition was led by Asquith, a spent force, and Ramsay McDonald of the Labour Party, hardly a national figure. Thus there was no effective personality or programme to oppose him.

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[1] A.J.P. Taylor, English History, 1914-1945, p.174

[2] R. Jenkins, Asquith. He was re-elected to the seat of Paisley in 1920.

[3] Taylor, English History, p.174; Wilson, Downfall of the Liberal Party, pp.187-8; Morgan, Age of Lloyd George, p.74.

[4] Morgan, Age of Lloyd George, p.74; he argues that Palmerston's victory in 1857 is the only parallel in recent times. Even Trevor Wilson, an Asquithian, admits this; see his Downfall of the Liberal Party, p.143, 187-8.

The peace settlement was not the issue of the campaign but figured prominently. Early in the campaign in mid-November, Lloyd George advocated in true blue liberal fashion a 'just peace'.[1] This was something all Liberals could support for even Asquithians proposed trying the Kaiser and levying full reparations against the Germans for their crimes against humanity.[2] However, as the tempo of the campaign rose, public opinion, swayed by the advocates of a 'hard peace' was clearly influenced and a mood of extreme nationalism appeared to grip the campaign. Now came the urgent calls for the most extreme penalites and measures. As Keynes noted, this must surely have been reached by Sir Eric Geddes in his speech at the Guild Hall, Cambridge, on 9 December. In that illustrious chamber he claimed:

> We will get out of her all you can squeeze out of a lemon and a bit more. I will squeeze her until you can hear the pips squeak.... I will strip Germany as she has stripped Belgium.[3]

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1. The Times, 13 November, 1918.

2. Wilson, Downfall of the Liberal Party, p.146 and 187.

3. Cited in J.M. Keynes, The Economic Consequences of the Peace, (London, 1919), pp.127-33.

Lloyd George himself was not completely unmoved by this mood. He certainly did not create it. In mid-December, shortly before the elections at Bristol he demanded that Germany should pay up 'to the utmost limit of her capacity'. Indeed the Allies had the right to demand the full costs of the war but he would ensure that in exacting payment it would be done 'in such a way that it does not do more harm to the country that receives it than the country which is paying it'.[1] It is interesting to note that though Lloyd George must have been in possession of the Report of Hughes's Committee he did not use it though his speech, judging by its content, may well have been influenced by it. On polling day Hughes noted that there was little interest in the elections in the booths in his locality. He saw 'no more signs of life than in a fairly well tenanted cemetary'. Although he predicted a large majority it would be a mixed bag of 'Sinn Feiners, Labour, Asquithians and his own Party who - outside the Unionists - are united by no bonds strong enough to stand the turmoil, that would no doubt accompany the difficult reconstruction years. 'He would be a bold man who would predict for the New Government a long life'.[2]

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[1] Lloyd George, Truth about the Peace Treaties, vol.I pp.458-67; Keynes, Economic Consequences of the Peace, pp.127-33.

[2] Hughes to Governor-General, 14 December 1918; Novar Papers, N.L.A. MS696/2747.

The Imperial War Cabinet resumed serious work on the twentieth. Behind the scenes there had been much activity. In Hankey's agenda for this meeting he warned the Prime Minister that Hughes 'may contest the right of Japan to the islands... but we are irrevocably committed to them'.[1] Hughes himself had been delivering his own missives. He wrote to Smuts to correct certain aspects of his memorandum on the German Colonies which was to be tabled and discussed at the meeting. As far as the Pacific was concerned he found the draft unsatisfactory.[2]

At the meetings Hughes proposed, in view of the prospect of a League of Nations control over the former colonies of the Central Powers and the Ottoman Empire, that South West Africa and the south Pacific German Possessions should be an exception. This claim which was supported by Smuts was put forward on security grounds, the territories being contiguous with the Dominions. Lord Milner and Lloyd George agreed with the soundness of this case. Long quickly pointed out that the French and the Japanese would then expect their possessions on the same terms. At this point Hughes broke in to set the record straight. Hughes drew attention to certain remarks in Smuts's memorandum before them on the Colonial Question. Smuts stated that:

> the arrangements whereby Japan took the islands north of the Equator was fair and equitable was the result of negotiations in which he, *(Hughes)* had been a party.[3]

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[1] Hankey to Prime Minister, 19 December, 1918; Lloyd George Papers, House of Lords Record Office, MSF/23/3/30.

[2] Hughes to Smuts, 18 December, 1918; Garran Papers, C.A.O., CP 351/1, item 7. Smuts's Paper, 'Peace Conference Memorandum respecting German Colonies,' January 1919, is in the Latham Papers, N.L. A., MS 1009/21.

[3] I.W.C., 44, 20 December, 1918; Hughes papers, N.L.A. MS 1538.

What happened, Hughes explained, was that the Colonial Secretary had informed the Commonwealth how vitally important it was not to offend Japan and since Japan was in possession nothing was lost and 'nothing we could say would affect their occupation'. Australia was simply asked to accept this situation. The phlegmatic Bonar Law 'agreed and said that Mr. Hughes had acquiesced with that which was already done'.[1] The distinction was vital. For years now he had asserted that Australia had never been a party to real consultations on a matter believed to be vital to Australia's security. And this was the burden of the criticisms of Hughes that accompanied the public disclosure of 'the secret treaty' of 1917.

Smuts also argued for the retention of East Africa and also those parts of Togoland and the Camerons which were considered desirable by the Dominion. In any case, Britain, he suggested should be the mandatory Power rather than the United States which had been suggested as a possibility so as to involve her in the post-War security of the region. Indeed it was considered high time that America should bear her share of responsibility in the maintenance of a general peace. Smuts preferred to see the United States involved in Palestine rather than East Africa. Lloyd George quickly interposed the revealing view that he hoped no one would want to see the United States as a mandatory Power in Europe or 'so dominant a position as Constantinople;. As far as Palestine was concerned the Prime Minister considered that the Americans would be able to 'meddle' in British Middle East affairs:

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[1] *Ibid*.

> Every Bedouin would be going off to the Americans and we should be put in the humiliating position of continually giving into the Americans on every complaint raised by them up to a point where we could stand it no longer and then we might find ourselves involved in a serious quarrel.

Armenia was considered 'safe'.[1]

Lloyd George noted in his retrospective review of this Cabinet discussion that the Dominions were unanimous that the Colonies in no case should be returned to Germany and the outstanding feature was complete unanimity with the 'doctrine of the Mandate in respect of enemy possessions except South West Africa and islands conquered by Australia and New Zealand'.[2]

The ever efficient Hankey after this session interviewed all the Prime Ministers except Hughes whom 'Colonel Amery saw' and drew up a draft of the Imperial War Cabinet Resolutions with respect to the 'captured German Colonies'. It was emphasised that the Resolutions were a draft and thus in no sense definitive but summed up the conclusions of the above discussions. Hughes pencilled in his own characteristic riders. He added a clause that provided for the right of appeal to the League against a 'Mandatory Power' which broke its obligations as a 'trustee'. Hughes then added a further proviso to the main clause in Hankey's draft formula which clearly bore the stamp of the arguments Hughes had employed:

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[1] Ibid.

[2] Lloyd George, Truth about the Peace Treaties, vol. I., p.123; see Hughes's recollections in Splendid Adventure, p.83 ff.

> Provided that other Allies do the same in respect of the conquered territories they occupy, the Imperial War Cabinet are prepared to place at the disposal of the Associated Nations and of the future League of Nations to be dealt with on the above principles... the whole of the German Colonies conquered by the Imperial Forces with the exception of German South West Africa and the German Islands in the Pacific South of the Equator. Considering the close geographical relation which these latter territories stand to the self-governing British Dominions in South Africa, Australia, and New Zealand, by whom they were conquered, the Imperial War Cabinet gave their strong and unqualified support to the claim for their incorporation with these Dominions. For reasons of security, customs, laws, coastwise trade, labour laws and economic and political development generally, such incorporation is necessary to the Dominions concerned and is in the interests of the territories themselves.[1]

It is clear that the above draft formula regarded incorporation more or less as equivalent to annexation. As we shall see, in January, the achievement of the 'C' class Mandate was to reconcile incorporation with the mandate principle. It was but a simple operation to substitute the phrase 'integral portions' for incorporation. Already, then, the genesis of the 'C' class Mandate clause is apparent in this formula. Since the attitude of President Wilson was so vital to the acceptance of the above formula by the Allies at the forthcoming Conversations, Hankey's final clause referred to the importance the Imperial War Cabinet attached to President Wilson's acceptance of the above formula and the hope that the United States would be associated in carrying out these principles.

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[1] Hankey to Prime Minister, 21 December, 1918; 'Preliminary Draft of Conclusions of The Imperial War Cabinet', same date; Hughes's additions were in pencil. The underlining is Hughes's addition; Lloyd George Papers, House of Lords Record Office, MS F/23/3/31.

Hankey noted in his Diary that to produce the above formula he had 'spent most of the day lobbying for my conclusions re the captured colonies'. A 'concordat' was reached, requiring as Hankey noted, 'extraordinarily nice drafting to reconcile Borden who doesn't want to grab territory and Botha, Smuts and Hughes, who do.' He could not refrain from congratulating himself at the feat but it was deserved.[1]

However, behind the scenes the lobbying must have been intense and continuous for Lloyd George refused to allow this draft to be circulated. There is some clue to the intense feeling generated by these conclusions in Montagu's appeal to Balfour to prevent this 'colossal self-deception' that could make fish of one sort of colony and fowl of another. As we have seen/Montagu was the master of irony. It was 'the mentality' of the Australasian representatives and the pressure of Smuts's constituents that was the explanation for this assertion of 'the right of conquerers' to their conquests:

> What Mr. Hughes wants is a bigger Australia. What Mr. Hughes wants is new territory to rule. What Mr. Hughes wants is a Customs Tariff to keep the world out except Australia, labour laws to exploit the populations for Australians and for no one else. And the same remarks apply to the population of the Union of South Africa with regard to German South West Africa.

Montagu blasted the General Staff who could approve of these acquisitions on the 'best of strategic grounds' and the imperialists like Curzon who could always find 'historical reasons of which he alone is master *(and)* geographical considerations, which he has peculiarly studied' to justify acquisitions. Lastly Montagu had no time for 'the flag-waving type of Briton' typified by Long and Hughes 'who wanted to go to any place because we can and who dare say us nay'. He received no comfort from Balfour who minuted that it had 'all the truth of good satire but no more'.[1]

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[1] Hankey, Diary, 20 December, 1918; cited in Roskill, Man of Secrets, vol. II, pp.37-8.

What must have weighed heavily in Lloyd George's decision was the impending discussion with Wilson. Hankey noted that he did not want to go into those discussions bound by such a commitment.[2]

At the Imperial War Cabinet meeting on the twenty-fourth which discussed the League of Nations Hankey recorded that Hughes 'had got up his case well for once and his repartee was admirable'.[3] This rather jaundiced remark no doubt sprang from Hankey's implicit faith in the League, a faith Hughes did not share. Hughes surveyed the latest pronouncements on the League by President Wilson and found them more moderate and therefore more favourable. Thus on 22 December, in the Observer, Wilson reckoned that there would not have been a world war if the Central Powers had been forced to discuss their grievances in open conference over an extended period. While they were talking they would not be fighting. If all that President Wilson wanted from his fourteenth point was that nations should be compelled 'to submit to the arbitrament of their peers' then Hughes approved, but 'was it advisable to go further...? He thought not'. He believed that Smuts also went too far in his paper. Of all the outlines, he preferred Zimmern's which he considered was a 'severely practical, comprehensive pronouncement'. This paper proposed a council of governments each retaining its sovereignty, very much like the Versailles Allied Council. Hughes asked that Zimmern's Paper and Cecil's be added to the pool of proposals alongside Wilson's.[1]

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[1] Montagu to Balfour, 20 December, 1918; minute by Balfour, same date; Balfour Papers, B.M. Add MS 49748, f. 301-04.

[2] Hankey, Diary, 23 December, 1918; cited in Roskill, Man of Secrets, vol.II, p.38.

[3] Ibid., 24 December, 1918.

Although Hughes glossed over Smuts's paper Lloyd George paid it the tribute, states Hancock, of assessing it 'the ideal State Paper *(which)* will have its place in history not only for its intrinsic merit but as the model on which the Covenant of the League was built'.[2] Smuts was proud of Lloyd George's personal commendation of his Paper for the Prime Minister called it '"one of the ablest papers he had ever read"'.[3] It was to be given to Wilson who undoubtedly was influenced by it, says Hancock, and thus it had a profound influence on the final shape of the League of Nations.[4] Smuts seemed to think that but for Hughes's objections, his paper would have been adopted as '*(I.W.C.)* official programme for the conference'.[5] There was nothing in the minutes to suggest that Hughes's mild criticisms in any way influenced the Cabinet one way or the other.

Hughes though, ever the realist, preferred the Admiralty paper which also was before them and 'with which he was in complete agreement'.[1] One could not get away from the immutable laws of 'national existence': supremacy at sea, an independent Navy and 'Freedom of the Seas'. The Admiralty, least of all Wemyss, had no faith in a League of Nations. The Admiralty believed that 'without an effective force to uphold its decisions it would never rise above the level of a debating society' - a veritable league of notions, one might say.

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[1] I.W.C., 46, 24 December, 1918. Garran prepared two memoranda on 'The League of Nations', typed and signed, 23 December, 1918; Sir Robert Garran Papers, Attorney General's Department; C.A.O., CP 351/1. Item 6. A comparison with Hughes's outline in the Imperial War Cabinet demonstrates the use Hughes made of these memoranda on this occasion.

[2] Lloyd George, cited by Hancock, Sanguine Years, p.503.

[3] Smuts to M.C. Gillett, 27 December, 1918; Hancock, (ed.), Smuts Papers, p.872.

[4] Hancock, Sanguine Years, pp.498-504 for a discussion on the impact of the Paper and its origins.

[5] Smuts to Gillett, 27 December, 1918; Smuts Papers, p.872.

(b). Hughes's Committee on Indemnity

Hughes's Committee began work almost immediately it had been formed. Lloyd George publicly announced that this committee 'represented every shade of opinion'.[2] Even a cursory examination hardly justifies this description. Hughes by now was well known for his claim that an indemnity could justly be claimed from the Germans. He chose W.A.S. Hewins a former associate from 1916 with whom he had worked on the Paris Economic Conference proposals which took a hard line against German interests for the post-war period. Then there was Lord Cunliffe, the Governor of the Bank of England who was Bonar Law's candidate. There was Walter Long, the Colonial Secretary, and a 'lifelong Tory stalwort' and the Canadian, Sir George Foster, the only moderate. Finally, the 'City' was represented by H. Gibbs, who was even more of a Carthaginian than Hughes. The committee certainly had the complexion that would 'placate the men of the City and the jingoes who were in the ascendancy in the Conservative Party'.[3]

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[1] Wemyss 'The Naval Aspects of a League of Nations;, 18 December, 1918; Admiralty MSS, cited in Marder, Dreadnought to Scapa Flow, vol. V, p.243. The Paper before the Cabinet, 'P_2 78, appears to be contained in 'Admiralty Policy in Relation to the Peace Settlement', January, 1919; Ibid., p.240.

[2] Lloyd George, at Newcastle, reported the following day in The Times, 30 November, 1918.

[3] Arno Mayer, The Politics and Diplomacy of Peacemaking: Containment and Counter-Revolution at Versailles, 1918-1919. (New York and London, 1968), p.156.

The moderate par excellence, was John Maynard Keynes,[1] a Treasury 'expert' whose evidence was requested on three of the nine occasions that the Committee convened. Keynes, years later, acknowledged that Hughes was one of the few statesmen who appreciated the bearing of the pre-armistice negotiations on the right to claim an indemnity covering the full costs of the War. Hughes realised that unless extreme claims were demanded nations such as Australia which were not actually ravaged would have no claims under the more limited interpretations imposed by the 'Fourteen Points'. Hughes and Northcliff, Keynes avowed, pursued the same course and thus provided Lloyd George with 'a stone for two birds'. By himself adopting the 'policy of Mr. Hughes and Lord Northcliff' he could at the one instance silence the powerful critics in the Coalition.[2] An Australian critic, Eggleston, at the time believed Hughes was given the position of chairman of the Committee as a 'sop' for having been excluded from the consultations on the terms of the Armistice.[3] Certainly Lloyd George claimed afterwards that he hoped Hughes's involvement in a committee of experts would compel the Australian to tone down his demands.[4] However, Keynes's explanation appears to be the one that seems more likely. That Lloyd George could be quite devious over the Reparations issue at Paris was noted by Charles Seymour:

> When he wanted to do business he brought along Montagu and Keynes; when he was going to hedge he brought in Sumner and Cunliffe.[5]

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[1] John Maynard Keynes, (1883-1946); economist; scholar of Eton and King's College, Cambridge; Member of the 'Bloomsbury Group'; India Office, 1906-08; Cambridge, 1908-15; editor, Economic Journal, 1912-45; Treasury official from 1915; Treasury's principal expert at Paris Peace Conference, 1919; author of The Economic Consequences of the Peace, a harsh criticism of the Reparations settlement; Baron, 1942.

[2] J.M. Keynes, The Economic Consequences of the Peace, (London, 1920), pp.126-9.

[3] Eggleston, Diary, n.d., Eggleston Papers, N.L.A., MS 423/6/39.

[4] Lloyd George, The Truth about the Peace Treaties, (London, 1938), vol.I, p.538.

[5] Charles Seymour, Letters from the Paris Peace Conference, (New Haven, 1965), p.276.

The brief of the Committee from the Imperial War Cabinet was clear. They were to inquire into 'the amount of indemnity which it would be possible to exact; the means by which payment could be made; and the subsequent effect on the Allied countries of Germany having to pay such an indemnity.[1]

At the outset we should note the specialized definitions employed by this Committee. The term indemnity was narrowly defined as 'covering the costs of the war only' and not in the popular sense of a penalty such as was used in the Franco-Prussian War of 1870 where the German indemnity was twice the cost of that war. Thus the Committee held 'that in all essential respects an Indemnity is identical with Reparation'.[2] At the same time, for convenience, when specifically referring to the restoration of damage caused by the War, the term reparation was quite appropriate. That is to say the Committee held that there was no real distinction between Germany's liability arising through 'direct damage' caused by aggression and the cost incurred 'to repel that aggression'. This being the case it is clear that the Committee was claiming the costs of the War as the legitimate indemnity that the Allies could pursue. Hughes made it clear from the beginning that the Committee was very

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1. I.W.C. 38, 26 November, 1918; Hughes Papers, N.L. A., MS 1538.

2. 'Report of Committee of Indemnity, n.d., but December, 1918; CAB 27/43.

much a tribunal assessing damages in a legal sense. It was therefore not a question in the first instance of whether Germany could pay, for a court generally did not address itself to a plaintiff's ability but rather to the amount and nature of the damages and then the onus of proof lay on the defendant to show cause as to his inability to pay.[1] Keynes believed that the cost of the War in round figures was twenty billion pounds sterling and Germany's annual national income before the War was close to three billion pounds sterling. Thus, levy ing an 'indemnity which bore the same ratio to Germany's wealth as the indemnity she exacted from France bore to the wealth of France at that time', Keynes reckoned that all that could be asked was half a billion pounds. As he acknowledged, the only recent historical precedent and analogy was clearly discouraging.[2] The Committee tacitly dropped this line of reasoning.

Hughes was obviously concerned at Lloyd George's contention that an indemnity could actually adversely affect the nation that received it rather than the indebted nation. This too, was based on historical precedent for it was Germany in 1873 which suffered a financial crisis rather than France which had paid out what Bismarck erroneously thought was an impossible sum. Hence Lloyd George's instruction that it was imperative to find the level which Germany could pay without adversely affecting the well-being of the Allies. Keynes explained that once the Allies had taken Germany's 'movable property abroad', and her annual surplus from trade, the only way she could pay extra was by some stimulation to her exports. Apart from the latter expedient, he estimated that Germany could not pay more than a relatively moderate annuity of one hundred million pounds sterling. This extremely unpalatable conclusion provoked Cunliffe to suggest that the difficulty could be circumvented by spreading Germany's account over a number of years so as to allow for an increasing capacity to pay a larger figure. But that he had not thought the matter out was evident from his exchange with Keynes:

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[1] Hughes, Committee on Indemnity, 2, 28 November, 1981; CAB 27/43. The following summarises the main lines of the sessfon.

[2] Keynes, Ibid. The Committee had before it the 'Memorandum on the Effect of an Indemnity' by W.J. Ashley and J.M. Keynes, which had taken an historical approach; Garran Papers C.A.O., CP 351/1/1. Lloyd George, The Truth about the Peace Treaties, pp.445-8 contains a summary.

> Keynes: If we give her no raw materials she would be no better off two or three years hence than she is now. If we nursed her with the object of building up her industries and making herself rich we could milk her to a greater extent later on, but it might be rather a dangerous process.
> Long (to Cunliffe): How long would you spread it over?
> Cunliffe: I want a little more data before answering that. This is rather new to me, and I have hardly thought it out. I did not know that I should be called upon to give an opinion; you must give me a little time....

While Keynes in general through-out his evidence emphasised what the Germans could or could not manage, Hughes invariably saw the other side of the coin pointing out the problems that would face the Allies if the Germans did not pay up. While he acknowledged that the Germans would be in difficulties with a large indemnity Hughes was more concerned with the difficulties facing the Allies if little was forthcoming. In the light of this the Allies as part of the indemnity should retain all of Germany's shipping, her gold, her navy, and the Kaiser's 'private fortune'. As well, the Committee turned to the returns from working Germany's mineral reserves, her raw materials. This led Hughes inexorably to the question of German lands:

> We demand the cession of the German colonies. If so, that does not come under the heading of an indemnity.[1]

Hughes acknowledged that the Germans could 'fairly' claim the colonies as part of an indemnity but he would not allow such a claim nor would he raise the matter. Walter Long, the Colonial Secretary agreed with these tactics:

> But would not it be better to let them come in with that afterwards? We take them as an act of conquest, and claim them as we are in the position of conquerors; we are administering them. If the Germans want to claim that they shall be written off as against the indemnity or the reparation, let them urge that afterwards.

Llewellyn-Smith of the Board of Trade pointed out that in Alsace-Lorraine in 1871, the German Government took over privately owned French railways and this type of takeover was considered a part of the indemnity the French Government in fact paying its own citizens.[2] Walter Long concluded proceedings with the dismal observation that he did not want 'to start by saying we capitalise these colonies and regard them as so much indemnity'. All agreed that there was no occasion to do this.

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[1] Hughes uses the term indemnity here in its popular sense of a penalty claimed by the victors.

[2] This point should be noted with respect to the debate over the liquidation of the property and assets of German planters, traders, and merchants, in the south Pacific; see below, Chapter Four, I.

The following day Cunliffe was in much better form. He stated that he believed the Germans would have no real difficulty serving the interest on an indemnity of twenty billion pounds sterling nor did he believe the Allies would run into the problems the Germans had experienced in 1873. All agreed that the reparations element should be a first charge on the indemnity and that shipping losses really were part of reparation rather than a cost of the War. Llewellyn-Smith pointed out that the Board of Trade memorandum,[1] prepared a few weeks before the Armistice, had addressed itself only to the question of reparations. Keynes at this point informed the Committee that the Treasury was examining the size of a reparations bill and Germany's capacity to pay, assessing the reparation account and regarding the difference as an 'indemnity'. Keynes after a lengthy exposition reckoned Germany could pay one billion immediately and another billion 'in the form of tribute', altogether, some two billion pounds sterling. Hughes pounced on these figures, pointing out that if the repayments were extended over a longer period then the figure could be doubled. Further, on the basis of Keynes's remarks, Hughes concluded that:

> During the past four years Germany has put out 1,500 millions a year or thereabouts, and carried out this war. She has fed herself; she has withdrawn 5,000,000 men from the world of production, and she has still been able to carry on this business. *(Foreign Investment)*.[2]

Hughes enjoined the Committee not to make the same mistake that Bismarck had made and 'put on too light an indemnity.'

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[1] Board of Trade, Memorandum, 'The Economic Aspect of Indemnities and Reparation'; Garran Papers, C.A.O., CP 351/1/1.

[2] Hughes, Committee on Indemnity, 3, 29 November, 1918; CAB 27/43.

Over the weekend Cunliffe worked on the problem and crystallized his thoughts on the size of the indemnity in a letter to Hughes which was read out at Monday's meeting. Cunliffe estimated that Germany's capacity to pay was in the order of twelve hundred millions per annum.[1] Capitalized this represented the colossal figure of twenty-four billion pounds sterling. Years later, when asked by a relative, who was 'staggered and sceptical', as to how he arrived at such a total he replied: 'It came to me in church'.[2]

Along with Cunliffe's letter the Committee had its own draft Report. The remainder of this and following sessions were taken up with refining the draft Report and taking the evidence of experts and specialized witnesses. Cunliffe's estimate, which ignored Keynes's evidence was not subsequently modified in the light of the testimony of the other expert witnesses who appeared before the Committee.[3] Indeed, Cunliffe remarked towards the end of the Committee's deliberations the following week, that in the light of evidence revealed since he had produced his own estimate it was likely that he would have suggested a higher figure:

> I do not think you can have a better book on the subject than the one I produced yesterday issued by the Dresden Bank. If you judge from that I think we really underestimate what their resources would be in a few years' time. Honestly, if I had read that Dresden Bank book before I made this very rough estimate, I should have made it higher than I did.[4]

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1. Ibid., Committee on Indemnity, 3, 29 November, 1918; CAB 27/43.

2. L.E. Jones, Georgian Afternoon, (London, 1958), p.114.

3. See Committee on Indemnity, 4, 2 December, 1918; CAB 27/43.

4. Cunliffe, Ibid., Ninth Meeting, 10 December, 1918. This is the only reference to the Dresden Bank's book during this debate; nor is there any reference to it at the Peace Conference discussions on Reparation.

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He was not alone in figuring out ways to extract the last farthing or to ensure that the Germans would pay up. Hewins believed that non-German art treasures in the galleries of Germany should be restored to the nations that produced them and their total value taken into account.[1]

Sir Eric Geddes, the First Lord of the Admiralty, when questioned by Hughes as to how the Navy could help ensure that Germany did pay, promptly offered the services of the Tenth Cruiser Squadron:

> If you ask about bringing pressure on her, I should say the blockade is the thing you want, and I do not think I need technical advice to say that. If you want to squeeze Germany and twist her tail, start the Tenth Cruiser Squadron again.[2]

Hughes knew that Lloyd George was anxiously awaiting the Committee's conclusions. No sooner had the Committee finished its deliberations on the tenth than Hughes dashed off the conclusions of the Report in a private letter to the Prime Minister:

> 1. The total cost of the war to the Allies is the measure of the indemnity which the enemy powers should in justice pay.
>
> 2. Although it is not yet possible to estimate what the total cost of the war would be, the figures available indicate that so far the direct cost of the war to the Allies had been 24,000,000,000 pounds sterling; and the Committee have certainly no reason to suppose that the enemy powers could not provide 1,200,000,000 pounds per annum as interest in the above amount when normal conditions are restored.
>
> 3. The indemnity should be payable in cash, kind, securities, and by means of a funding loan.

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1. Hewins, Ibid., Eighth Meeting, 9 ecember, 1918.

2. Geddes, Ibid., Fifth Meeting, 3 December, 1918.

> 4. The fear of economic ill-effects to Allied countries from the payment of the costs of the war is not well-founded; whilst their man-power seriously is reduced, their territory laid waste, their industries paralysed and burdened with a huge load of debt they would be unable to compete successfully in the markets of the world.
>
> 5. The enforcement of an indemnity will operate as a deterrent to future aggression and be a substantial guarantee of the world's peace.[1]

In a word of explanation Hughes added that if the receipt of such an indemnity should prove injurious to British industries 'nothing is easier than to say to Germany: "Don't pay us any more"'. Hughes concluded, as an after thought, that the overriding concern of the Committee was not to injure Germany but to benefit Britain. This was a characteristic attitude of Hughes throughout the discussions and there is no doubt that a reading of the shorthand notes of the meetings compared with the typed report signed by Hughes, Long, and Foster[2] and the final official Report signed by the whole Committee,[3] all bear the marks of Hughes's arguments.

Hughes had already whipped off a cable to Watt, pointing out the strong opposition to an indemnity and the necessity therefore of drumming up public support:

> Lloyd George's attitude was broadly this -"an indemnity is most dangerous to a country that receives it. The country that pays it goes ahead in leaps and bounds". Very strong influences working against Indemnity - pro-German International Finance Jew and Gentile men trading with Germany, and lastly extreme labour, who do not want Dear German Brother crush ed.[4]

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[1] Hughes to Lloyd George, 10 February, 1919; Lloyd George Papers, House of Lords Record Office, MS F/28/2/13.

[2] I.W.C. 'Report of Committee of Indemnity', n.d.; C.A.O., CRSA981, item Imperial Conferences 104. Hughes's alterations appear in this typed draft.

[3] I.W.C., p.-38, 'Report of Committee of Indemnity', n.d.; Garran Papers, C.A.O., CP361/1/1; also in CAB27/43.

[4] Hughes to Watt, 9 December, 1918; C.A.O., CP360/8/2.

A few days later he spiritedly described to Munro Ferguson the difficulties in the way of claiming an indemnity in view of Wilson's 'Fourteen Points', nevertheless the Committee had 'put in a very hot report in favour of Germany paying the entire cost of the war'. He concluded by informing the Governor-General that as he had been selected as one of the delegates to represent the British Empire on the Allied Indemnity Commission, he intended to 'argue stoutly' that under the Reparations clause an indemnity could be legitimately claimed.[1]

This resolution was just the sort of objective that concerned Smuts and Amery. Smuts warned Lloyd George a week before Hughes's final Report reached the Prime Minister that the Committee had proposed 'quite impossible' figures. If Hughes were to represent the British, the Government would be placed in an awkward position for it would play into the hands of the French who were also claiming extravagant figures which were not in the best interests of Britain, the Allies and indeed, 'the world'.[2] Amery, the day Hughes tabled the Report in the Imperial War Cabinet, let the Prime Minister know that he was working on a memorandum which would be somewhere between the 'sketchy and exaggerated' figures 'in the other direction' of the Treasury Memorandum of Keynes.[3] Years later Lloyd George revealed his own and Bonar Law's reaction:

> Mr. Bonar Law and I regarded the conclusions of this Report as a wild and fantastic chimera. It was incredible that men of such position, experience and responsibility should have appended their names on it. What is still more remarkable is that it represented the opinions formed and expressed by the Association Chambers of Commerce and the Federation of British Industries.[4]

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[1] Hughes to Munro Ferguson, 14 December, 1918; Novar Papers, N.L.A., MS 696/2747.

[2] Smuts to Prime Minister, 4 December, 1918; Lloyd George Papers, House of Lords Record Office, MS F/45/9/25.

[3] Amery to Prime Minister, 24 December, 1918; Ibid., MS F/2/1/32.

[4] Lloyd George, Truth about the Peace Treaty., p.461.

The Imperial War Cabinet discussed the Report at its meeting on Christmas Eve. Hughes explained the philosophy behind his Committee's findings:

> *(The Committee)* thought it right to state the amount Germany ought to pay, leaving upon the Germans themselves the onus of proving their inability to pay the whole sum demanded. It was no use starting out with the assumption that Germany could not pay; ... Our business was not to act as advocates for Germany, but as champions for our own country ...[1]

The amount that Germany ought to pay was set at 24,000,000,000 pounds sterling (or 1,200,000,000 a year). Such findings, Hughes further volunteered, were in the face of the views of Sir Charles Addis of the Hong Kong Bank and Hugo Hirst of the General Electric Company who were both of the opinion that Germany could not possibly pay more than 60-125 million a year. Their views were suspect, Hughes continued, because they had German interests and associations. On the other hand, Lord Cunliffe,'as the result of enquiries in the City', was confident that Germany could pay 1200 million a year.

The reaction in the Imperial War Cabinet to the Hughes Committee Report was hardly favourable. Milner warned against the certain danger of 'bolshevising' Germany and Churchill asked if Hughes had considered the effect upon the working class household 'in Great Britain or Australia'. He conceded however that the Germans were 'human beings' and that he 'only wanted to give them a spur to constant industry. A salutary course of industry was the best cure for Bolshevism'.

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[1] I.W.C., 46, 24 December, 1918; Hughes Papers, N.L.A. MS 1538. The following is based on the proceedings of this session. See Duncan Hall, Commonwealth, p.240 for his summary, and Lloyd George, Truth about the Peace Treaties, pp.475-82.

Bonar Law saw no objection to the desire to see Germany pay 'up to her capacity' but he said he would have protested had it been the intention of Cabinet 'to agree to the suggestion that the obtaining of any such sum as mentioned in the Report was possible'. Sir George Foster, Canadian Minister of Trade and Commerce, a member of the Committee and probably the only one who was financially competent and politically moderate, virtually repudiated the Committee's findings. He complained that the Committee had neither the time, nor the resources available to determine what Germany could pay 'without injury to her or us', and that apart from the evidence presented by Sir Charles Addis, Mr. Hirst, and the Report of the Board of Trade, the Report of the Hughes Committee 'was based on the opinion of its members, framed in each case on such information as each possessed.' He added that:

> He had signed the Committee's Report ... to expedite its consideration by the Imperial War Cabinet ... but before an attempt was made to fix the precise amount ... examination must be made by some commission with more information than was in the possession of the Committee.

Walter Long, too, commented on the paucity of time available to the Committee for its findings, but consoled himself with the thought that as:

> Men of such standing in the business world as Lord Cunliffe and Mr. Addis were emphatic in their belief that a large indemnity could be imposed, and that similar conclusions had also been arrived at in the Reports of the Federation of British Industries and the Associated Chambers of Commerce *(it)* would create a very awkward situation if the Government did not press its full demands in accordance with the cost of the war to ourselves.

Accordingly, it was decided that delegates to the Inter-Allied Commission should 'endeavour to secure from Germany the greatest possible indemnity she can pay consistent with the economic well-being of the British Empire and the peace of the world'.

Providentially then, the Lloyd George philosophy prevailed. Hughes's harshly realistic view on the question is understandable but his stubborn and relentless pursuit of his objective in the face of the evidence can hardly be justified.

(c) President Wilson in London.

President Wilson arrived in London on Boxing Day for his encounter with the British. He had been fortified by various memoranda and the undoubted triumph of the Fourteen Points. His mentor, House, had reassured him that:

> we have a...diplomatic victory in getting the Allies to accept the principles laid down in your January 8 speech and in your subsequent addresses. This has been done in the face of a hostile and influential junta in the U.S. and the thoroughly unsympathetic personnel constituting the Entente Governments.

Even the two reservations were considered a blessing in disguise by House who argued that if there had been no dissent the Powers 'would have been in a better position at the Peace Conference to object to them'.[1] We have seen how Long, Montagu, and Hughes vainly endeavoured to gain a third exception with respect to the German Colonies.

President Wilson's advisers at London had been informed of the uneasiness of the United States Navy at Japanese expansion into the Pacific. Beckenridge Long, an assistant Secretary of State, concluded in his memorandum that the Americans had no interest in south Pacific Islands except Samoa but were deeply interested in the Japanese held Islands because of their strategic value in relation to Guam and the Philippines. However, the United States could not claim them directly since Japan and Great Britain would have equally legitimate claims. So the United States should insist on their return to the Germans, then acquire them in lieu of reparations. Retention of these Islands by either Great Britain or Japan would constitute a constant menace to the dominant position of the United States in the Pacific.[1] Lansing, the Foreign Secretary, was not interested and so Long supplied his memorandum to E.T. Williams, one of the leading American experts on the Far East. The latter preferred the mandate principle, the 'Open Door', and guarantees against fortifications. He thoroughly opposed a Japanese mandate and exerted all his influence to obtain a British mandate.[2] George Beer, the senior colonial expert, considered that the United States had no real claim to put forward and to do so would be to forfeit 'the moral influence of the United States in the settlement of other questions'.[3] Admiral Benson, Chief of Naval Operations, saw no reason to challenge Japanese occupancy of the Islands provided that safeguards against fortifications could be secured.[4] The last and probably the most influential body to advise the President was the team of experts labelled the 'Inquiry' who set forth their views on 10 December. They too disclaimed any right to the north Pacific Islands, recommending that Japan should hold the mandate but that the Islands should be unfortified and without naval bases.[5]

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[1] House, Paris, to Wilson, 5 November, 1918; Seymour, Intimate Papers, p.194.

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1. Long, Department of State, memorandum, 14 December, 1918; United States: Department of State, Papers Relating to the Foreign Relations of the United States, Paris Peace Conference, vol.II, pp.511-15.

2. Braisted, The United States Navy in the Pacific, p.448.

3. Beer, African Questions at the Paris Peace Conference, pp.454-5, cited, in Fifield, Woodrow Wilson and the Far East, p.138.

4. Braisted, The United States Navy in the Pacific, p.446.

5. Gelfand, The Inquiry, pp.271-2; also Seymour, Intimate Papers Colonel House, vol.IV, pp.280-3.

Lloyd George recalled[1] that the League of Nations appeared to be the principal concern of the President whose views were in line with those of Smuts and Cecil. He very much wanted the League to be the first item for consideration at Paris. Lloyd George, for his part, won the battle on the 'Freedom of the Seas' that after all would not be discussed at Paris. On the question of indemnities though, Wilson was inflexible. He would allow reparation claims to be tabled and considered; other claims would have to come afterwards. Lloyd George pointed out that this would be grossly unfair to the Dominions who in spite of their sacrifices would receive little or nothing. President Wilson evidently was unmoved by these tactics. The vexed question of economic barriers was not even raised and Wilson would not even consider carrying on with the expected inter-Allied conference, much to the Prime Minister's surprise and concern. Wilson took the line that prior arrangements and bargains would make a sham of the Peace Conference.

He opposed further and continued intervention in Russia and the presence of the Turks in Constantinople but did not favour an American mandate there or anywhere. With respect to the German colonies he accepted the case for South West Africa but was neither impressed with the Japanese nor the Australian case. He 'was by no means prepared to accept the Japanese Treaty promising the German islands' to them.

We have already noted that he was well aware, prior to these conversations, of the exact nature of the 1917 arrangements but he preferred to maintain his ignorance and 'innocence'.

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[1] Lloyd George, The Truth about the Peace Treaties, vol.I, pp.185-202. Hankey also used this for his chapter in The Supreme Command at the Paris Peace Conference, (London, 1963) pp.15-20.

It is convenient to refresh our memories on this point from other evidence - that of Colonel House and Hankey. In 1922 when Ray Stannard Baker, using Wilson's Papers, published his articles on Paris he maintained the President's ignorance of the 'secret treaty'. House knew otherwise :

> *(Baker)* declares that the President knew nothing of the Secret Treaties until he reached Paris. Of course he is mistaken in this. I remember your telling me of them when you came to America in the spring of 1917 within a few weeks after we entered the war. You were entirely frank with me in your disclosures of their text and purposes and I have no doubt you were equally so with the President.... [1]

Hankey's support was indirect. He informed an annoyed Balfour who believed his integrity had been impugned, that in conversations with him it had always appeared that the Foreign Secretary never had the slightest doubt that he had informed the President of the exact nature of the arrangement.[2] There is no doubt that Wilson, the arch promoter of 'open covenants openly arrived at', could hardly admit to being privy to secret treaties or else he would have felt compromised even tainted.

Garran noted at Paris that Wilson claimed a 'higher "impartiality" for the United States. But when the Panama Canal and American coasting trade is touched they are at least as human as Europe'.[3] Clemenceau, 'a master of words' as Lloyd George once remarked, was acutely aware of this double standard in the American President and the policies of the United States. Thus on one occasion he remarked that 'Wilson speaks like Jesus Christ but operates like Lloyd

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[1] House to Balfour, 22 June, 1922; Balfour papers, B.M. Add MS 45970, ff.31-2.

[2] Hankey to Balfour, 10 July, 1922; Ibid., f. 28.

[3] Garran, Diary, 28 February , 1919; Garran Papers, N.L. A., MS 2001/13.

George'.[1] Lloyd George eulogized that 'no orator of his day had a more perfect command and choice of word and phrase' than Clemenceau. But pre-eminently he was a man of action. His contempt was for 'the men who thought words were a substitute for deeds and not a stimulus for deeds'. It was Clemenceau who reminded Wilson that the United States 'would never have come into existence without force and that but for force it would have fallen to pieces half a century ago'.[2] Latham too noted that 'the American Delegation was as careful as any other to keep its own secrets'. Their hotel was as carefully guarded as any other. Thus Latham concluded that 'the actual experience of practical diplomacy shows that open diplomacy in the fullest sense is impossible.[3] It was because Lloyd George believed Wilson's approach was 'detached from realities' and that his remarks on 'peace without victory' in 1917 and the subsequent 'Fourteen Points' confirmed this, that he deemed it essential to meet the man and confer before Paris. But Wilson seemed 'chilly... towards the countries which had borne the full burden of the War'.[4]

Hughes's reaction to this report of Lloyd George's conversations, given at the Imperial War Cabinet on the thirtieth,[5] was considered to be as fine an example of his classic style of invective as he had delivered to date:

> The Cabinet were much impressed with the critical power of the Hughes speech. It was their first explanation of the reason why this man of frail physique, defective hearing and eccentric

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[1] Clemenceau, cited in Pierre Renouvin, Les Crises de XX^{e} siecle de 1914 a 1929, (Paris, 1957), vol. VII, p.164.

[2] Lloyd George, War Memoirs, (Popular Edition), vol.II, pp.1604-07.

[3] Latham, 'Open Covenants Openly Arrived At' article for The Melbourne University Magazine, July 1920; Latham Papers, N.L.A., MS 1009/22/173.

[4] Lloyd George, The Truth about the Peace Treaties, vol.I. pp.156 and 182.

[5] I.W.C., 47, 30 December, 1918; the following is based on these Minutes.

> gesticulations had attained such a position of dominant influence in the Australian Commonwealth. It was a fine specimen of ruthless and pungent analysis of President Wilson's claim to dictate to the countries who had borne the brunt of the fighting.

To Hughes it was clear that indemnities and the colonies were jeopardized. He must have been at boiling point when he delivered his speech. He warned against being 'dragged quite unnecessarily behind the wheels of President Wilson's chariot'. If Clemenceau had taken Wilson's line of approach he would have been prepared to listen because the French had won the right to dictate by their supreme sacrifices. Hughes urged Lloyd George to take the strongest line against the President. The British Empire and the Allies would support him. Furthermore Lloyd George's colossal electoral victory had given him the authority to speak. (We should note that, meanwhile, Wilson had lost control of his own Congress).[1] Hughes thought it was intolerable for President Wilson to believe he could dictate terms when the United States had been in the War for only eighteen months. The League of Nations to Wilson was 'what a toy was to a child - he would not be happy till he got it'. It was his supreme obsession. He actually wanted the League to be the 'foundation stone' of the Peace Conference when at most it should only be 'the gilded ball on the dome of the cathedral'.[2] Austen Chamberlain, echoing Hughes, suggested Wilson needed to be told that there should be a 'British Monroe Doctrine for the Southern Pacific'. Curzon predicted that Lloyd George would have to work with Clemenceau if President Wilson persisted in his approach. However, Reading, the Ambassador to the United States, and Borden, the Canadian, deplored any plan to confront the United States at the Conference.

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[1] 'Republican leaders are naturally making the most of the election results and endeavouring to show that the President has lost public support...' A. Murray to Lord Reading, 25 November, 1918; Balfour Papers, B.M. Add. MS 49741, f.235.

[2] Lloyd George, The Truth about the Peace Treaties, p.201.

Borden counselled the preservation of the best of relationships with his neighbour, the United States. After all, he went on, on balance, the conversations had been rather favourable: 'The Pacific Islands and Indemnities were the areas of pronounced difference and there was no reason to conclude that we had got the President's final point of view'. Canada would not be a party to a partnership between the British Empire and Europe against the United States. Here he foreshadowed Canada's position in the post-War period.

Hughes's strictures on President Wilson were shared in general by Australian authorities. Munro Ferguson labelled him the 'ill-omened patient' who was 'the villain of the Peace'.[1] Along with the Governor-General, Garran was prepared to admit that 'Wilson was extraordinarily able but a dangerous man'. He was :

> an idealist who believes in himself and his mission, determined to the point of obstinacy and without either political experience or the capacity to give practical shape to his ideas. He has no scheme for the League of Nations; he launched the idea and is trying to make a patchwork of other men's schemes.[2]

There was at least one Wilsonian on the Australian Delegation. Eggleston who joined the team late in December[3] as an assistant to Garran, acknowledged that 'Wilson was one of his heroes'. Little wonder that he and Hughes did not hit it off. For him Wilson's 'speeches were magnificent'. They were 'perfect examples of graceful and accurate phrases'. He was 'quite right to attach the Covenant to the Peace Treaty otherwise it would not have been passed at all'. Self-determination was an 'instinct' that was basic and Wilson was to be commended for having the courage to implement it. And although the 'Fourteen Points' could be criticised as 'rhetorical' there was 'no other attempt to state the philosophy for setting up a world order. Nobody controverted them'.[1] Perhaps Lord Esher should have the last say on these varying estimates of Wilson for his prediction was in line with the thoughts of Hughes on the man:

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[1] Munro Ferguson, Diary, 26 June, 1919.

[2] Garran, Diary, 6 February, 1919; Garran Papers, N.L.A., MS2001/13.

[3] Garran noted he began work on 23 December; Diary, Garran Papers, N.L.A. MS 2001/13.

> How foolish old Buddha *(Wilson)* was... The Paris Conference has at any rate succeeded in this that a future war upon an even bigger scale becomes inevitable... It is not precisely what Wilson set out to do.[2]

(d) Dominion Representation at the Conference.

On the last day of this momentous year the Imperial War Cabinet had before it the modified French proposals for representation at the Paris Conference which had been communicated by Lord Derby a couple of weeks before. Hughes was the first to protest. These proposals were still unsatisfactory, for a nation like Sweden would in effect have greater representation than the Dominions which deserved representation equal to that of neutrals. And what was more, Australia had fielded more troops than Belgium. At this juncture Lloyd George defended the proposal put forward at the Allied Conversations during the first days of December whereby the Dominions were guaranteed a voice on the 'panel system' when questions on which they wished to speak were raised. Expanding this point, he maintained that Dominion and Indian Representatives would attend as 'additional members of the British Delegation' on questions relevant to their needs. Now Borden took up the cudgels for the Dominions in a most impassioned and persuasive speech. He informed the Cabinet that 'it would be regarded as intolerable in Canada that Portugal should have a representation in the Peace Conference which was denied to that Dominion.' He still proposed the panel system but one which gave the Dominions 'as ample a representation as Belgium or Portugal'. Thus the Cabinet resolved that:

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[1] Eggleston, Diary, n.d.,; Eggleston Papers, N.L.A., MS423/6/46-47.

[2] Esher to L.B., 16 June, 1919; cited in Oliver Viscount Esher, (ed.), Journals and Letters of Reginald Viscount Esher, p.239.

> ...(b) The British Dominions and India should in all respects have the same powers as, and be on equal footing at the Conference with Belgium and other Allied States....
>
> ...(d) The Prime Ministers of the Dominions and the representatives of India should be placed on a panel from which part of the personnel of the British delegation could be filled according to the subject for discussion.

The Minutes clearly show that Hughes took the lead in this final discussion that gave the Dominions the best of both worlds.[1] They were delegates in their own right but were also part of the British Delegation and thus were accorded a prestigious position which other small nations could not hope to match. Sir Keith Hancock in assessing Smuts's role in this question believes that each of the three major Dominion leaders without collusion formed a forceful partnership that ultimately was rewarded with success:

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[1] See Fitzhardinge, 'Hughes, Borden, and Dominion Representation at the Paris Peace Conference', Canadian Historical Review, vol. XLIX, no.2, (June, 1968), p.160-69, on this question. See also, Duncan Hall, Commonwealth, pp.274-81, for a supportive account.

> Borden taking the running in the Imperial War Conference, Hughes raising a clamour in the press, Smuts using his position in the seat of power to slip in the right memorandum at the right time.

Borden's most prominent role has generally been accepted but Hancock concentrating on Smuts, has, I believe, assigned to Hughes too menial a role in this question. Already we have seen that Hughes did not just beat the drum from public platforms. In fact it has been convincingly demonstrated that his intransigence as much as anything, and anyone, in a situation of 'conflicting' viewpoints' was instrumental in securing the dual representation which eventuated.[1]

An interesting post-script to this significant question with respect to separate representation is provided by Clement Jones, the secretary of the British Empire Delegation. In his own article on 'The Dominions and the Peace Conference'[2] produced at Balfour's behest, he did not award any one Dominion Prime Minister the sole credit for taking the lead. Clement Jones was anxious to publish his account and Hankey in 1921 wrote personally to all the Prime Ministers seeking their permission. Hughes objected to certain aspects of the account which Roskill relates proved to be the stumbling block to its publication. It remains still in the Cabinet Records to this day. There is yet a sequel to this. Sir Clement Jones in 1958 wrote a Paper, 'W.M. Hughes at the Paris Peace Conference, 1919', for Mr. L.F. Fitzhardinge for his biography on the Prime Minister.[1] In that Paper Sir Clement Jones does not deal with the question in detail at all and has added nothing to the account given above.

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[1] Hancock, The Sanguine Years, pp.496-7; see also, L.F. Fitzhardinge, 'W.M. Hughes and the Treaty of Versailles, 1919', Journal of Commonwealth Political Studies, vol.V. no.ii, (July, 1967), pp.130-142.

[2] See Clement Jones, 'The Dominions and the Peace Conference, n.d.; CAB. 29/80 and Roskill, Man of Secrets, vol.II, p.51.

There was still the hurdle of Wilson and Paris to overcome. Lloyd George's proposal was opposed by Wilson and Lansing at the preliminary session of the Council of Ten on 12 January at Paris.[2] Wilson observed that the question now seemed to be 'largely one of sentiment and psychology'. To agree to this proposal would be to give Britain a preponderating representation for the small Powers would see Dominion representation simply as an extension of the British vote. The Great Powers would appear to be running the Peace Conference and he did not want to convey that impression but rather 'a more comfortable' one. It was apparently useless to point out, as Lloyd George did, that the Powers had run the War and that the Dominions were autonomous Powers whom Britain could not adequately represent on such questions as the fate of the Germany Colonies. Referring to the War record of the Australians who had lost more dead than the United States, Lloyd George claimed such sacrifices entitled the Dominions to the same representation as 'the smaller belligerent Powers'. But Wilson seemed to be more interested in the representation of the new nations and the small ones like Serbia and Roumania. He believed the Dominions would 'back' each other up at the Meetings and thus have an effective voting power of '10 to 12 votes' which these small Powers could not match. The discussion was adjourned so that Lloyd George could consult the Imperial War Cabinet which by now virtually was the British Empire Delegation to the Peace Conference. Meanwhile Borden had taken the initiative of calling a meeting of the Dominions and India who agreed to plump for exactly the same representation as the other small Powers.[1] At the British Empire Delegation meeting on the morning of the thirteenth[2] Lloyd George explained that Wilson's objection now was not to representation per se but to the size of their Delegation. Also, Clemenceau appeared surprised when it dawned on him that what the Dominions wanted was two each and not two for the Empire. Duncan Hall has remarked on the chorus of protests by Hughes, Botha and Smuts, who all emphasised the great importance attached to some form of separate representation. Hughes again evoked the blood sacrifice as the potion that awakened the 'consciousness of their own identity'[3] and right to a voice in the councils of the nations. Borden recalled his own strong pleas but found Hughes and Smuts prepared to leave it to Lloyd George to gain the best bargain he could.[4] The following day Lloyd George persisted, emphasising Borden's disappointment and Canada's chagrin; surprisingly, he found that Wilson himself then proposed that the larger Dominions should each have two representatives while New Zealand and India should have one each.[5] It may well be that playing the Canadian card had done the trick with an American who was anxious to preserve harmonious relations on that Continent. But then Wilson, not to be outdone as it were, left Lloyd George open-mouthed by proposing that the South American State of Brazil should have three delegates. The British Prime Minister remarked that Brazil had 'certainly sent two or three torpedo-boats but beyond that she had made no effort at all'. The French and Italians promptly used this precedent to claim the same for Belgium and Serbia. Wilson won his point.[1]

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[1] Sir Clement Jones, 'W.M. Hughes at the Paris Peace Conference, 1919, 1958; a paper privately prepared for Mr. L.F. Fitzhardinge; 'Hughes Annex', N.L.A.

[2] Council of Ten, Minutes of 12 January, 1919, 4.00pm; U.S. Foreign Relations, P.P.C., vol.III, pp.483-385. The following discussion is based on these Minutes.

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[1] Borden, Memoirs, vol.II, p.899.

[2] British Empire Delegation, I, 13 January, 1919; Attorney-General's Papers, C.A.O., CP 351/1. B/4.

[3] Duncan Hall, Commonwealth, p.280.

[4] Borden, Memoirs, vol.II, p.899.

[5] Council of Ten, Minutes, 13 January, 1919, U.S. Foreign Relations P.P.C., vol. III, pp.531-2.

The Round Table, devoted to the promotion of closer imperial ties, in an article produced during the Conference in April, 1919, remarked on the curious situation facing the Empire now that the Dominions possessed 'the full, formal and complete admission to the family of independent nations'. The anonymous author looking back to 1911 when Asquith had made it abundantly clear that Britain would not share its role in '"the conduct of foreign policy, the conclusion of treaties, the declaration and maintenance of peace, and all those relations with Foreign Powers, necessarily of the most delicate character,"' forecast that this sine qua non would be abandoned. The Dominions having secured separate representation at Paris and presumably at the League of Nations in the British Delegation, a position had been created which was 'without parallel in modern international arrangements'.[2] Hughes himself speaking in the Commonwealth Parliament in September, 1919 on the Treaty of Peace Bill claimed that 'separate and direct representation' accorded to Australia and every other self-governing Dominion, meant that:

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[1] Ibid., p.533-4; see S. Tillman, Anglo-American Relations at Paris Peace Conference, (Princeton, 1961), pp.78-9 for a discussion on Wilson's inexplicable turnabout.

[2] The 'Peace Conference' n.n. *(but an Australian)*, April, 1919, Round Table, 1918-19, vol.IX pp.608-11.

> Australia became a nation, and entered into a family of nations on a footing of equality. We had earned that, or, rather, our soldiers had earned it for us.... Australia had to press her views, and to endeavour to insist upon their acceptance by other nations. Without such representation that would have been impossible.[1]

We have seen that Lloyd George in the Council of Ten admitted as much: that on certain questions Britain could not adequately speak for Australia. The Round Table, the same month, having had time to digest these changes noted that Hughes 'applauds this achievement of his diplomacy, and the nation accepts with satisfaction the place of honour which she regards as a testimony to the brave deeds of her sons'.[2]

As one would expect Eggleston saw the other side of the coin:

> Poor Hughes is finding the Peace Conference very different from the Imperial Conference. At the latter everything he wanted was done. The Dominions were top dogs. Now we feel what small potatoes we are. He has a seat in the Peace Conference but most things are decided in small meetings of the five...

In fact, he went on, Australia may find herself in a worse situation than she had ever been after the Peace Conference. Separate representation he maintained meant that Australia visibly deprived herself of the 'authority of England', who would not prepare herself with 'our facts'. That was left to the Australians who had few opportunities to be heard.[1] As the Round Table also commented, 'representation as a separate nation formed no part of Australia's expectation'.[2] And further, 'the responsibility of Britain for the policy and security of the Dominions which the small nations of the world would have regarded as a priceless boom, is less than it was'.[3] And Hughes had done all this, against the advice of his own Cabinet.[4] That the above remarks reflect the uncertainty which closeness to an event can generate is clear from Eggleston's published views many years later in the Cambridge History of the British Empire, where he asserts that even though Hughes was 'hampered by a cable from his Cabinet', he refused to allow the Australian delegation to remain in an 'inferior position' and they joined in the movement for representation and 'reaped the fruits'. He had not though, altered his mind on the effectiveness of the move, for he still believed it 'did not increase the power of the Australian delegation to realize its objectives',[1] nor would he admit to Hughes~~'s~~ prominent role in gaining this representation, a view he first published in the New Statesman in 1920.[2]

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[1] C.P.D., vol. LXXXIX, 10 September, 1919, p.12169.

[2] 'The Return of Mr. Hughes', n.n., September, 1919; Round Table, vol.X, 1919-20, p.183.

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[1] Eggleston, Diary, 24 January, 1919; Eggleston Papers, N.L.A., MS423/6/69.

[2] 'The Peace Conference', Round Table, vol.IX, pp.608-11.

[3] 'The Return of Mr. Hughes', Ibid., vol.X., p.183.

[4] See above, this section, for the cable sent by Watt, the Acting Prime Minister, advising against this policy in November, 1918.

Latham was very much aware of the duality of the new diplomatic situation facing the Dominions: 'If the actual result of separate representation at the Peace Conference had been what most people would have considered its logical effect, the result would have been most serious'.[3] As Latham noted, the logical result was not the actual one. The result was dual representation. Thus Latham concluded that the Dominions received the benefits of separate representation and at the same time 'the benefits of union between themselves and the rest of the Empire'. The Dominion leaders in Cabinet consulted each other and British Ministers; they had the full benefit of all the services of the Foreign Office and other departments; their case was put forward by Lloyd George in the meetings of the Big Four and by Balfour at the council of Foreign Ministers. As well, on those matters peculiarly relevant to their special circumstances such as the German Colonies, they were regarded as '"nations with special interests"' and so were able to plead their case at what were regarded as 'Informal Conversations'. However that the basic unity of the Empire was unimpaired was clearly enshrined in the actual Treaty in the form of the signature. There was only one party to the treaty on behalf of the Empire - the King, beneath whose name were affixed the signatures of the Imperial Ministers and the Dominion Leaders, Hughes and Cook signing for Australia. And as Hughes noted years later this was the first time that the Dominions had signed in exactly the same way as the British Ministers signed for the United Kingdom.[1] For Hughes separate representation was a progressive step in the evolution of the Empire - a very necessary step.

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[1] Eggleston, 'Australia and the Empire, 1855-1921,' chapter XVII, Cambridge History of the British Empire, (C.U.P., 1933) vol. VII, pt.I, p.541.

[2] Ibid., 'An Australian View of Mr. Hughes in Paris, New Statesman, 10 January, 1920.

[3] Latham, The Significance of the Peace Conference from an Australian Point of View, 23 October, 1919; an address to the Melbourne University Association, printed in 1920 as a pamphlet; the following is based on this address.

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[1] Hughes, Spendid Adventure, p.236.

II. MANDATES.

Discussions on the territorial adjustments with respect to the German Colonies began on Friday, 24 January.[1] Meanwhile there was furious activity in the Australian camp. A week before he was to present the Australian case Hughes summed up the situation and prospects for the Governor-General:

> ...Wilson is the god in the machine to the people outside: but his stock declines daily in spite of much fulsome and persistent puffing. Between ourselves he is rather a stick when it comes down to the facts of life. He is great on great principles. As to their application he is so much like Alice in Wonderland that I suspect him of being sat in a former incarnation for that dear little lady to Lewis Carroll.
>
> It is a thousand pities Roosevelt died. He was a Man. He sized up Wilson very neatly in a letter in which, after writing 7 pages about his distinguished opponent, he said 'I shall write no more except to say that Wilson comes from an old Virginian family, from the only old Virginian family that did not fight on either side during the Civil War'. Rather neat that!
>
> I'm working up the case for the ex-German Colonies and the Pacific. Wilson's against us on this point too. But I hope we shall convince him. I think we shall for he is a man firm on nothing that really matters. He regards the League of Nations as the Great Charter of the World that is to be and sees himself through the roseate cloud of dreams officiating as the High priest in the Temple in which the Sarcophagus or Ark containing the body or ashes of this amazing gift to Mankind is to rest in majestic seclusion for all time. Give him a League of Nations and he will give us all the rest. Good. He shall have his toy! What shape is *(it)* to assume you ask. None know. He least of all. This is the literal truth. He does not know, he is indeed incapable of reducing this ideal of his to any shape or applying it to the

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[1] The general outline of Hughes's policies and activities in Paris on Mandates, Reparations and the 'Racial Equality' Questions, is well known; it is not intended to repeat this. See W. Farmer Whyte, William Morris Hughes, (Sydney 1956), pp.377-409; Duncan Hall, Commonwealth, pp.229-270; Fitzhardinge, William Morris Hughes, (Oxford, 1973), pp.23-4.

> actual circumstances of mankind. He has 16 Secretaries and about 100 newspaper men - his speeches are translated into all languages - in every country in the world.[1]

Latham[2] and Garran[3] had been at work since December on memoranda on the Pacific for Hughes's reference. He apparently referred to them in formulating his own distinctive paper for his opening address on the question to the Council of Ten.[4]

The Australian press campaign began in earnest. The Melbourne Herald as early as the fifteenth referred to the 'Secret Treaties of 1915'and thus the 'Equator is the line inexorably dividing the spheres of Japanese and Australian influence in the Pacific'.[5] The Herald then blasted the same message in three successive days as an introduction, as it were, to the Australian case for the South Pacific Islands and Hughes's continued opposition to the Japanese case for those in the north Pacific.[6] At the same time the Sydney Sun[7] noted that the Japanese expected to retain their German possessions.

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[1] Hughes to Governor-General, 17 January , 1918; Novar Papers, N.L.A., MS696/2756.

[2] 'Australia and the German Islands', 5 December; Australia's claim to the German Islands', 19 December; Latham Papers, N.L.A., MS1009/18.

[3] 'The Pacific Ocean', 11 December, 1918; 'Australia and the Pacific Islands', n.d.; Garran Papers, C.A.O., CP351/1, B/2/7.

[4] This address is published in D.H. Miller, My Diary at the Conference of Paris with Documents, (privately printed 1924), vol. XIV, 24 January, 1919; pp.24-26. Also in 'Procès Verbaux of Supreme War Council and Notes of Conversations', Friday, 24 January, 1919; Garran Papers, C.A.O., CP 351/1/4. Finally, U.S. Foreign Relations, P.P.C., vol. III, pp. 720-22.

[5] Herald, Melbourne, 15 January, 1919.

[6] Ibid.,22, 23, 24, January, 1919.

[7] The Sun, 23 January, 1919.

The Sunday Oregonian published Hughes's objections to the Peace Conference decision 'forbidding delegates to make statements to the public on any subject under discussion'. Hughes was reported as labelling such a decision as 'unfair and impracticable'. He would not hesitate to 'appeal to the people of all the allied countries' if the Commonwealth did not 'get a square deal', on the 'Pacific Question.'[1] Suiting the action to the word he must have delivered a dress rehearsal to the American newspaper correspondent for a brief summary of the case he was to deliver very shortly, concluded the report. Significantly, the west coast of the United States was considered a most sensitive area with respect to the Japanese expansion in the Pacific. Lord Riddell noticed that the Americans were 'issuing semi-official secret announcements as to subjects to be discussed by the Conference' and quickly notified Lloyd George who readily agreed to a similar arrangement with respect to the 'British Policy'.[2] It is just as well to notice this latter point in view of the storm that was to arise very shortly. The Acting Prime Minister, Watt, was greatly perturbed at this veritable flood of 'policy' statements appearing in the local press. On the day Hughes delivered his speech on the Pacific, Watt, in a lengthy cable, notified Hughes of Cabinet approval of the four items he had listed for the Prime Minister's benefit upon which Hughes already had pronounced without

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[1] Sunday Oregonion, 19 January, 1919; in Piesse Papers, C.A.O. CRSA2219, vol.VI.

[2] G.A. Riddell, Lord Riddell's Intimate Diary of the Peace Conference and After, (London, 1933), p.15.

Cabinet approval. Watt pointed out he had called a special Cabinet to discuss the matter and he was now authorized to notify him that Cabinet did approve of retention of the Pacific Islands, an Indemnity, opposition to 'Freedom of the Seas' and disapproval of 'intervention in Russia'. In concluding his cable Watt reckoned a 'dangerous' situation could arise and pleaded with Hughes to notify the Cabinet beforehand of his intended pronouncements on policy. While acknowledging that Hughes was best placed to define the Government's attitude on such matters he still preferred prior consultation:

> ...I suggest for your earnest consideration wisdom and necessity of communicating with Cabinet and securing its concurrence before any policy pledging Government is announced. Even in cases where immediate action is necessary, we should surely be apprised of facts and reasons. This is my strong personal view, which I have abstained from putting before colleagues, and I urge it on your attention as the only possible working basis.[1]

Clearly Watt was on the point of revolt in an awkward situation and one which he apparently considered intolerable. Hughes was far too busy to reply to it, but did so after the battle for the Colonies was over and unequivocably denied the charges. As far as press reports and Murdoch's Melbourne Herald articles were concerned he counselled Watt to discount 'newspaper prattle' which were so often

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[1] Watt to Hughes, 24 January, 1919, C.A.O.: CP 360/8; my emphasis.

'inspired pars *sic* more or less ingenious on the part of those sapient Allied Statesmen who have let us down, to fool the people and hide from Australia and Britain what actually the position is'. Hughes was surprised Watt would place any credence to reports before hearing from him. On the only really vital matter of divergence, the north Pacific Islands in the hands of the Japanese, Hughes divulged his tactics for the first time:

> I never said I would strenuously oppose Japanese annexation of Marshall or Caroline Islands, but if I thought I could stop them getting them certainly I would do so. Unhappily I fear that this is impossible. I do not know what Murdoch says and am not responsible for it.

Now Hughes was upset, but was still able to couch his injured feelings in a suitably equivocal manner:

> ...I am doing my best here under very difficult circumstances. It would almost seem as if my colleagues think the interests of Australia can be better trusted to Allied statesmen than to me.... I feel I cannot represent Australia effectively unless my colleagues have confidence in my judgement. I am not the spot : they are not : but I quite agree that they must be consulted, and I shall most certainly do so on all important matters where they have not already declared their policy, and it is in accord with my own.[1]

In accordance with an agreement in the British Empire Delegation, Lloyd George opened the case for the Empire on the Colonies.[2] He advocated the retention of the German

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[1] Hughes to Watt, 10 February, 1919, Ibid; my emphasis.

[2] B.E.D., 3 Thursday, 23 January, 1919; Garran Papers, C.A.O., CP 351/1 and 13/4.

Colonies under the mandate system but for South-West Africa and the south Pacific Islands there was a case for annexation; he went to some pains to emphasise the Australian case for annexation but informed Wilson the Dominions would speak to it for themselves. 'He would like the Conference to treat the territories enumerated as part of the Dominions' rather than apply the principle of the mandate to them.[1] So Lloyd George, after all, stuck to the December decision of the Imperial War Cabinet on the matter.

In opening his case, Hughes appropriately made use of a large map of the Pacific for it was apparent that the President did not appreciate 'the intimate geographical relations of Australia to the Pacific'. Historically, he cogently pointed out, the Australian claim was not a new one but dated back to 1867 when it had been refused by the British Government. In 1884 Bismarck out-manoeuvred the British and thus the Germans had been established ever since, doing 'little or nothing to develop the Islands'. The Islands in German hands constituted a direct threat to Australia. He agreed with Lloyd George that internationalisation and a mandate were inappropriate. Indeed Hughes, 'questioned whether any country represented at the meeting would consent to be overshadowed in such a way', even by an international authority. Thus, on grounds of security, the interests of the inhabitants, the costs of the War to a small nation, all meant that 'Australia did not wish to be left to stagger under this load and not feel safe'. Smuts also blamed the dilatoriness of Imperial Governments of the past for the situation whereby South Africa had not annexed South West Africa. Once again, in 1884 any possible action had been suddenly forestalled by Bismarck. The Germans subsequently had proved harsh administrators and there had been in 1914 a rebellion in the Union fomented very largely by the Germans of the Territory, requiring a formidable expedition there to suppress it. Thus, even though other parts of Africa lent themselves to a Mandate, this arid Territory ought to be annexed to South Africa. It was a sound case strengthened by Smuts's prior knowledge of Wilson's intentions on the eve of this meeting. A few days before, he and Robert Cecil had spent some time dicussing the League of Nations. To Smuts's surprise and consternation he found that:

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[1] Lloyd George, cited in Miller, My Diary, 24 January, 1919, pp.21-24. The speeches of Hughes, Smuts and Massey have been summarized from this Diary, pp.24-34.

> His ideas (may I confess it?) seem mostly taken from *(my)* pamphlet. Even my mistakes are appropriated. This seriously alarms me, as the paper was very hurriedly written as you know, and many things I would now rather put differently. Not so Wilson; for him the first fine rapture is enough. I am sorry, but fail to carry amendments on which I am set! The idea is to work out the Convention or 'Covenant', as he calls it in remembrance of his Covenanter descent, in full and then get the Conference to pass it formally. He is entirely opposed to our annexing a little German colony here or there, which pains me deeply and will move Billy Hughes to great explosions of righteous wrath.[1]

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[1] Smuts to M.C. Gillett, 20 January, 1919; Hancock and Poel, (eds.), *Smuts Papers*, Document 889.

He does not appear to have warned Hughes of the President's frame of mind at this crucial time but judging from Hughes's summation of the President's mentality Smuts's added news would simply have served to confirm his views. Massey in the lengthiest speech strongly reinforced the historical case in which Imperial laxity, disinterestedness, or reluctance, Bismarckian resourcefulness, and American expansion all figured, resulting in 'the triple Protectorate' of Samoa. The island had provided the Germans with a useful naval base and springboard for commerce and trade in the Pacific. Under German control it would always menace New Zealand's interests. In conclusion Massey referred to the recent remarks of Dr. Solf, the German Colonial Secretary, at one time Governor of Samoa, who had stated that if Germany had been victorious she would occupy some of the British Colonies. Without wishing to emulate the Germans Massey believed the Allies should do all in their power to prevent a repetition of this sort of thing happening in the future. He therefore believed 'the island should be allowed to remain under British control'. Borden, who simply pointed out that Canada had no territorial claim, very cleverly explained to the Council that to award these lands to the Empire was not to present them to a 'land-grabbing' Power but to a League of Nations, for in essence this was the best description of the Empire.[1]

Garran was distinctly disappointed in the session labelling it '"very unsatisfactory"'.[2] Latham who also attended was surprised to see that his own chief, Cook, had been excluded, the meeting being limited to prime ministers or their representatives.[1] Although Latham hoped Hughes would protest at the highest level, this situation where Cook was 'left outside' as it were, became the pattern. Even when he did participate the reports of his ineffectiveness were embarrassing. As the American who assisted him on the Czechoslovak Commission noted in his Diary:

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[1] Ibid., p.34.

[2] Garran, Diary, 24 January, Garran Papers, N.L.A., MS2001/13.

> The British first delegate was the Prime Minister from the Antipodes, Sir Joseph Cook. He and I struck up a great friendship from the start although we were always diametrically opposed to each other in debate. He is blissfully ignorant of everything European and practically every word of our discussion was Greek to him. Sir Eyre Crowe comes in to tell him what is what and generally whispers over his shoulder what to say; but sometimes Sir Joseph thinks that he has a good idea of his own and will fight like a steer for it. My whole line of argument in the Commission has been that the fewer German and Magyars in the Czech state the better for it; but Sir Joseph insists that our duty is to reward the Czechs for what they have done in the war by giving them all the population possible, regardless of whether or not it wants to be Czech citizens. His simplicity rather worries Sir Eyre and Nicolson, who is the second British delegate.[2]

As well as Garran, Hughes also was disappointed in the way matters were developing. He urgently cabled Watt to drum up a barrage of press support immediately; he should also arrange public demonstrations in Sydney and Melbourne which should result in strong resolutions to be sent to Paris. He informed Watt that he believed the matter would be settled next week as Wilson favoured 'international control'. The Dominions and Britain had supported him and he believed the French would support him. Hughes, of course, had cultivated French support. He had taken the opportunity to discuss matters on the Peace as early as October when he had been decorated:

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[1] Latham to Ella, *(his wife)*, 24 January; Latham Papers, N.L.A., MS 1009/21/1426.

[2] C. Seymour, Letters from the Paris Peace Conference, (New Haven, 1965), p.176. H. Nicolson Peacemaking, (London, 1964), p.280, corroborates this account.

> I had conference with several Ministers French War Cabinet as well as with Clemenceau and discussed Wilson's fourteen points. They think as I do. I strongly urged them to let the voice of France be heard. He *(sic)* will do so. The people of Britain and France are very determined that fruits of victory shall not be taken from them by trickery. There will probably be twentyfour, or maybe sixtyfour points before we have done. Some of the original fourteen- inter alia - two, three and five - will wholly disappear or be so changed that no one will know them.[1]

As late as 20 January, the Sydney Sun reported Clemenceau as stating that he would 'support everything Australia asks at the Peace Conference'.[2] This would not be surprising since both shared the same opinion of Wilson. Clemenceau recorded that:

> M. le président Wilson, le prophète inspiré d'une noble entreprise d'idéologie dont il allait facheusement devenir le prisonnier, connaissait insuffisamment cette Europe qui gisait en morceaux devant lui. Il lui incombait de fixer le destin des peuples par des combinaisons d'empirisme et d'idéalisme dont ne pouvait s'étonner un Americain qui, par la doctrine de Monroe, delait l'Amerique des répercussions européennes en même temps qu'il intervenait en Europe au nom de la solidarité historique des peuples civilises. Il fit tout de son mieux, en des circonstances dont les origines lui avaient échappe, et dont les developpements ultérieurs se trouvaient au delà de son champ de vision.[3]

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[1] Hughes to Watt, 16 October, 1918; Hughes Papers, N.L.A. MS1538.

[2] The Sun, 20 January, 1919.

[3] Clemenceau, Grandeurs et Misères d'une Victoire, (Paris, 1930), p.140.

Thus as Hughes also was imbued with the anti-Prussian spirit there was double reason for the mutual admiration that developed during the Conference. Clemenceau placed Hughes very highly among the Conference delegates:

> Au premier rang, j'aurais du placer M. Hughes, le noble délégué de l'Australie, avec qui l'on causait à travers une boite acoustique d'ou s'échappaient des concerts de bon sens.[1]

In an interview with Colonel House early in February Borden recited the usual criticism that the French were using Hughes to accomplish their own aims.[2] That this was obvious to House hardly needs to be stated but from Hughes's position as the representative of a small nation, French and British support was a combination which he had every reason to expect would prove successful. In the Melbourne Herald, Murdoch reported that after Friday's session, at afternoon tea, Clemenceau had whispered to the Prime Minister that '"you made a strong case"', while the Italian Orlando backed this up asserting that '"you made out our case for Dalmatia"'.[3]

At the Monday morning's session Wilson considered that it would be appropriate to hear the Japanese case and so round out the discussion on the Pacific rather than deal with the Pacific claims in a 'piecemeal' fashion.

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[1] Ibid., p.126.

[2] Borden, Memoirs, vol.II, p.909.

[3] Murdoch, ' Special Representative ', Melbourne Herald, 27 January, 1919.

Clemenceau agreed while Lloyd George pointed out that the Australasians should 'be present at the statement of the Japanese case' as they had their own position on the matter. Clemenceau disagreed and there followed a brief discussion in which Wilson, Baron Makino, the Japanese Representative and Lloyd George manoeuvred for their viewpoint. It was finally agreed that the Chinese should be present to hear the Japanese case with respect to Kiaochow and the Dominions should be present at the statement on the Pacific.[1] At the afternoon session it was the Pacific that was discussed. Makino read his statement laying claim to 'the unconditional cession of Kiaochow' and the 'German possession in the North Pacific'. Makino recounted the events of the War that led to the occupation of the German possessions and then cleverly concluded with a thinly veiled allusion to the provisions of the 'Secret Treaty' with the Allies:

> In conclusion, it may be stated that, in view of the extent of their efforts and achievements in destroying German base*(s)* in the Extreme Orient and the South Seas, and in safeguarding the important routes on the Pacific and Indian Oceans and the Mediterranean waters, to say nothing of their contribution in other respects, the Japanese Government feels confident that the claims above advanced would be regarded as only just and fair.[2]

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[1] Council of Ten, Minutes 10.30am, 27 January, 1919; U.S. Foreign Relations, P.P.C., vol.III, pp.735-7.

[2] Council of Ten, Minutes, 3.00pm, 27 January, 1919; U.S. Foreign Relations, P.P.C., vol.III, p.740. See also E.T. Williams, 'Japan's Mandate in the Pacific', American Journal of International Law, vol. XXVII, (1933), pp.428-39; Fifield, Woodrow Wilson and the Far East, pp.111-139; Nish, Alliance in Decline, pp.267-8.

Wilson's tactic then was to state the case for the principle of a Mandate under the League of Nations for any of the Colonies, but the implication was clear. It was the first time at the Conference that he had outlined his views on Mandates. He reaffirmed the decision that the Colonies should not be returned to the Germans.[1] The question now was a choice between annexation and the mandatory principle.[2] He preferred the latter for annexation reminded him of that impossible situation described in a story he had recently heard:

> In the United States a man bought an inordinate amount of real estate. When asked by a friend when this process would stop, he replied that he would never be satisfied so long as anyone owned any land adjoining his own.

This appeared to be 'the difficulty in the mind of the representative of Australia' which 'was based on a fundamental lack of faith in the League of Nations'. However, under the League he believed that 'bad neighbours' whose habit was to keep on annexing adjacent territory would be a thing of the past. As far as 'the mandatory in New Guinea' was concerned, his mind was absolutely open'. He agreed that it was perhaps, 'so near to Australia that no other alternative was possibel', but it was 'in the lap of the gods'. In conclusion he put to the Council the position as he saw it:

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[1] At Friday's meeting where this was decided it was expressly stated that this should not be published as yet; Council of Ten, Minutes, 24 January, U.S. Foreign Relations P.P.C., Vol.III, p.718.

[2] See Louis, Germany's Lost Colonies, p.131, ff.

> Assuming the League of Nations existed (and it was born on Saturday), was it necessary, from the point of view of protection to have annexation? If not what was there in the principle of a mandatory that would make its adoption objectionable.[1]

Having used South-West Africa and New Guinea as analogies in his outline, Wilson really was making it obvious that he opposed the claims for annexation by the Australasians and the South Africans. Had Wilson calculated to upset the Dominions he could not have adopted a better approach. Botha beat Hughes to his feet. He outlined in some detail now the significance of the German insurrection in 1914 for a land that had known bloody civil war in the past and the determination therefore of the Government to prevent any further disunity. Incorporation within the Union and thus direct rule was the best guarantee against any possible disunity. Hughes decided to go straight to the heart of the matter now that Wilson had revealed himself so fully on the subject: 'Was the mandatory principle per se desirable?' Hughes believed all would agree that direct rule was preferable. But was it wise?'

> As Ireland is to the United Kingdom, as Mexico is to the United States of America, as Alsace-Lorraine is to France, so was New Guinea to Australia; but it was said that the taking over of Alsace-Lorraine by France merely meant a restoration.

These analogies must have hit home to the 'Big Three' for all these adjacent territories were trouble spots. Hughes was no respecter of persons when it came to proving his own case. There was of course a large French population in Lorraine so that the analogy was hardly fair,[2] but it was effective in this situation. Concluding, Hughes argued that the case against annexation was the case against imperialism. 'There was nothing', therefore, 'to be gained by the mandatory system that could not be got by direct annexation'. He could not imagine that any nation dreaded an Australian annexation of New Guinea:

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[1] Minutes of Council of Ten, 3.00pm, 27 January, 1919; U.S. Foreign Relations, P.P.C., vol.III, p.740-43.

[2] However, no plebescite was ever suggested for Alsace which had a predominantly German population.

> The world only dreaded annexation for Imperialistic purposes or for the purpose of exploiting other peoples. But Australia was a democracy and responsible for its actions to its people. He would readily admit that the mandatory system would be applicable to other parts; but it could never apply to New Guinea.[1]

Eggleston noted that:

> Hughes is swelling with pseudo importance. He is adopting a narrow national policy as to the Pacific Islands; will have *(sic)* annexation unconditionally. Of course he is being used as a catspaw by the French who want Cameroons, Togoland and Syria. The French are very bad colonists.... Incidentally Japan will be able to annex the northern islands and come nearer to us. But this is the sort of long view that does not appeal to Mr. Hughes. Annexation altogether and today.[2]

Hughes was aware of the Japanese problem but placed no faith in the League and did not believe it could effectively control 'bad neighbours'. Garran however, was pleased to see that Wilson for the first time was off his pedestal and 'brought down to argue'. He considered the President had not thought out his case.[3] Beer, the American Colonial expert, on the other hand, favouring Wilson, commented that Botha and Hughes were 'rhetorical, inaccurate, and not to the point.'[1]

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[1] Ibid., pp.745-7, see Roskill 'Man of Secrets', p.53, for details on reaction to Botha's speech.

[2] Eggleston, Diary, 27 January, 1919, Eggleston Papers, N.L.A., MS423/6/69.

[3] Garran, Diary, 27 January , 1919; Garran Papers, N.L.A., MS2001/3.

Cecil was very disturbed at the trend of the discussion and hurriedly dashed off a note to Balfour suggesting that now 'an immense responsibility'[2] rested upon him. Balfour was unable to be present at the British Empire Delegation meeting that night but sent along his notes 'for what they may be worth'. He favoured, despite the serious difficulties, the mandatory principle on the understanding that the financial arrangements, defence aspects and the question of the eventual tenure of the territories, all of which had not been considered adequately, should receive further attention.[3] That night 'Smuts began the tactical retreat he had outlined the previous November'.[4] Smuts stated that 'Cecil and he had agreed to class the problem under three heads':

> (1) German Colonies with a British Dominion next door. In these cases there should be annexation. For many reasons it was impossible to make a Dominions into a mandatory. (2) German Colonies in Central Africa. These were to be distinguished from the first class by the circumstance that the world, as a whole, was interested in them. They were cases for a mandatory, but on the basis that the mandatory should be a Power with sovereign rights subject, however, to restrictions in relation to arms, liquor, &c. and the open door.

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[1] George Beer, Diary, 27 January, 1919; cited in J.C. Shotwell, At the Paris Peace Conference, (New York, 1937), p.150.

[2] Cecil to Balfour, 27 January, 1919; Balfour Papers, F.O. 800/215/138.

[3] Balfour, Memorandum, 27 January, 1919; Latham Papers, N.L.A. MS1009/2.1297.

[4] Roger Louis, Germany's Lost Colonies, p.132; also, Louis cites on p.119 the most important letter of Smuts to Long, 28 November, 1918, in which the tactic of pressing first for annexations and then retreating, by playing the mandate card, is outlined.

> Great Britain and France should be the mandatories in Central Africa, and should bear any expense involved. (3) Other cases where the people of the territories in question could speak for themselves, but where they required assistance in government and in the development of the country, e.g., Syria and Mesopotamia.

Smuts, in conclusion, stated that he was convinced that the President 'had no tangible idea on the subject.'[1]

Lloyd George the following morning explained to the President that he was trying to formulate a plan that would accommodate all the major viewpoints and that he was hopeful of success. As the Dominions' case was a special one he hoped the President would look into it again. As far as other territories conquered by British forces he saw no difficulty in reconciling the view of Great Britain with those of President Wilson. He concluded by referring to the fact that there was no great difference between the mandatory principle and the principles laid down by the Berlin Conference under which Great Britain, France and Germany held many of their colonies. Thus there already were provisions for the 'open door', prohibition of arms and so on, as envisaged by President Wilson. By adopting the mandatory principle Great Britain would not be altering her Colonial system to an appreciable extent. Mr. Pichon for France believed that there were no essential differences between France and Great Britain and then

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[1] B.E.D. 4, 6.30pm, 27 January , 1919; Garran Papers, C.A.O., CP351/1, B/4.

Clemenceau noted that there were also 'certain France-Britain Conventions relating to the German Colonies' which ought to be taken into consideration. Lloyd George, sensing Clemenceau's meaning, agreed that any arrangements made during the war should be placed before the meeting. Clemenceau agreed and asked Makino if he had any objection. Makino had no objection but stated that the Japanese Conventions of 1917 were 'in the form of an exchange of ideas rather than formal Conventions'. Thus the 'Secret Treaty' of 1917 had at last come out into the open at a formal session of the Conference. President Wilson did not express surprise. On the contrary, he appeared prepared. He informed the Delegates that 'no sense of finality could be attached to such prior arrangements'. Lloyd George immediately agreed that any proposal submitted should be provisional. At this Massey could not contain himself and delivered a lengthy discourse against the mandatory principle lacing his arguments with copious historical analogies from the situation after the War of Independence facing Washington and the American Colonies to the Congress of Vienna and the subsequent Holy Alliance. Wilson was stung into defence. He affirmed that there was no 'historical precedent for the work now in hand'. The Monroe Doctrine which Britain itself finally accepted, was the practical result of the Congress of Vienna and the Holy Alliance and as for Samoa, surely the presence there of the United States was sufficient guarantee for the safety of the island.[1] One can only sympathise with Wilson for whichever line he took there was sure to be a disgruntled Power.

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[1] Procès-Verbeaux of Supreme War Council, 11a.m., 28 January, 1919; Garran Papers, C.A.O., CP351/1/.B/4.

The Conversations then moved on to the Japanese claim to Kiaochow, an even more sensitive area which was in fact the main aim of Japanese policy at the Peace Conference rather than the question of the Islands.[1] At a very brief British Empire Delegation meeting convened hurriedly before the afternoon session of the Council, Lloyd George referred to a lengthy and important conversation with the President which revealed his policy and motives on the question. The American wanted the nomination of the mandatory Powers left to the League for he believed he could not return to the United States 'with the world parcelled out by the Great Powers'. The British Prime Minister's response to this categoric assertion was an equally unequivocal statement that the European Powers would not sign the Treaty of Peace. At this, Wilson pointed out that he'did not think it necessary that there should be an identical mandate in each case'. He did not believe however, that there could or should be exceptions made from the mandatory principle as proposed by the British Delegates, for 'it would be difficult to make a similar exception in the case of Japan'.[2] Clearly Wilson did not want the Japanese to gain a clear title to the Islands in the Pacific but envisaged a Mandate with provisions that would safeguard American interests in the Pacific.

At the afternoon session of the Council of Ten, M. Simon, the French Colonial Minister, after a lengthy analysis of the three alternatives opted for 'annexation pure and simple' as the only course which could achieve 'the double objective of any colonial government worthy of the name' - development of the country and the indigenous population to a 'higher level of civilization'. Balfour took up the running at this point noting the sketchiness of the whole plan so that a great deal of work was necessary to clarify vital aspects, but characteristically, he was in favour of the principle. Wilson was shaken by the tone and trend of the debate. He preferred to discontinue discussion till the next day as he feared an impasse which he wished to avoid. Australia, South Africa, Japan, and France 'rejected the idea of trusteeship,[1] on the part of the League of Nations'. He was mortified at the turn in events.

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[1] See Nish for this 'basic instruction' to the Japanese Delegation; Alliance in Decline, p.272.

[2] B.E.D., 5, 3.00p.m. 28 January, 1919; Garran Papers, C.A.O., CP.351/1/4.

Meanwhile, the various interested parties had engaged in a series of private conversations and exchange of draft formulae in the search for a way through the threatened impasse and breakdown of the Conference. The day before, Colonel House urged Cecil to accept the President's formula for a Mandate solution for the Colonies rather than the Dominion case of annexation. House then wrote to the President concerning Hughes's position, evidently believing he was the key to the situation:

> Dear Governor:
>
> I believe the entire British delegation, including the other Dominion representatives, are opposed to Hughes in his claim for annexation as opposed to the mandatory system. Either Hughes claims the Pacific Islands by right of conquest and as a reward for Australia's services in the war, or he must accept the mandatory of the League of Nations for the better government of the backward people of the Pacific Islands. It is doubtful if public opinion in Australia is really behind Hughes, and if he persists in his claim

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[1] Council of Ten, Procès-Verbeaux, 28 January, 1919, Garran Papers, C.A.O., CP351/1/.B/4.

> the best solution would be to tell him the whole arguments on both sides must be published in order that the world may judge Australia's claims, but so far as the Conference is concerned his proposal strikes at the whole idea of the League of Nations and cannot be accepted.[1]

How wrong he was, the Council of Ten meeting of that day demonstrated. The President informed House of the disastrous turn of events and indicated that 'if they maintained their attitude he intended to give both sides to the public'.[2] Presumably this would be on the basis of vox populi vox dei, yet very shortly he was to deny this right to the Conference and to Hughes in particular. House, however, counselled that a wiser course would be to throw the issue to the full Conference whose deliberations were public anyway. This course was not necessary for the following day Smuts saw him early in the morning with a draft of the mandate formula with its three classes, which he found eminently suitable and which he believed involved 'great concessions from the position the Dominions took yesterday'.[3]

There were others who thought Hughes was the key to the situation. After the British Empire Delegation meeting the day before, Montagu in his usual style and object of opposing the Australian case in the Pacific urgently suggested his own solution:

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1. Colonel House to the President, 28 January, 1919; Seymour, (ed.), Intimate Papers, vol.IV, p.308.

2. House, Diary, 28 January, 1919; Ibid., p.319.

3. 29 January, 1919, Ibid.

> ...the peace of the world and the success of future arrangements are all jeopardized by the attitude of Australia. Anyone who heard Lord Robert Cecil this afternoon and anyone who heard Mr. Hughes's answer can only realize that Australia has no case except this, that she is there and intends to remain there. When we first started our discussions in London Hughes based himself on defence. His defence is absolutely secure as a mandatory. He now bases himself in order to obtain annexation upon trade facilities and trade opportunities in New Guinea. If we allow an exception from the mandatory rule for Australia we open the door to all sorts of exceptions by the French and the Japanese.... It is impossible I suppose to tell Australia that we cannot support her case in this. Could we not therefore accept the mandatory principle for all countries in the world with its appeal to the League of Nations, with its open door but with the right of the mandatory to make its own immigration laws? Is this a compromise that would be possible?[1]

Montagu's reference to the British Empire Delegation meeting was in relation to Cecil's outright advocacy of Mandates, (in line with his conversation with House), specifying two classes, and insisting that Australian security was guaranteed by the League.[2] Hughes had informed the British Prime Minister that his Government had supplied him with a resolution that day favouring Australian control of the Islands.[3] Further, if the 'open door' applied to New Guinea then it would be impossible to exclude Japanese competition in which case

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[1] Montagu to Lloyd George, 28 January, 1919; Lloyd George Papers, House of Lords Record Office, MS F/40/2/34.

[2] B.E.D., 5, 28 January, 1919; Garran Papers, C.A.O., CP351/1, B/4.

[3] Acting Prime Minister to Hughes, 28 January, 1919; C.A.O., CP361/8, item vol.3

'the territory would become a Japanese or Japanese and Germany country within ten years'. There was no inconsistency here as Montagu seemed to suggest. Defence first, was certainly Hughes's policy but at the same time he recognized the possibilities that now lay before the Commonwealth in terms of trade and commerce in the south Pacific. Immigration restriction was the third plank of this Monroe Doctrine of the south Pacific, but all three elements were inextricably intertwined in his appreciation of the situation.

The British Empire Delegation meeting that day concluded with the resolution that Hughes, Botha and Massey, representing the southern Dominions that had been unanimous on the question of annexation, should 'draft a resolution to express the view of the Delegation with respect to the Mandatory System'.[1] Accounts vary as to the authorship of the celebrated 'C' class Mandate which Hughes in the end was induced to accept on the understanding that it was all but the annexation for which he and the other southern Dominion leaders had wanted.[2] It is clear, however, that Wilson provided the motivation for Mandates in general, adopting Smuts's mandatory principle for his League of Nations, but extending it to the German Colonies, something Smuts had not intended. Again it is indisputable that Smuts and Cecil, in the British Empire Delegation meeting of 27 January, presented a threefold classification of colonies for consideration as a basis for a discussion of the problem facing them. The next day Cecil outlined a twofold division of the Colonies for purposes of a Mandate.

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[1] B.E.D., 5, 28 January, 1919; Garran Papers C.A.O., CP351/1/, B/4.

[2] Hankey later commented that the 'C' class Mandate was 'the equivalent of a 999 year lease instead of freehold'. See Amery, My Political Life, p.179.

Then, as Duncan Hall puts it, 'tradition seems to point to Smuts and Kerr' as being responsible for the drafting of the Mandate article. As far as the 'C' class formula is concerned the record is obscured by various authorities over the years attributing it to a number of British and Dominion statesmen and officials. Garran, a scrupulous authority, has published his view that Sir Cecil Hurst, the legal adviser to the British Treasury, and Latham:

> began to work out a scheme for different classes of mandate, one of which, applicable to contiguous countries like New Guinea to Australia, approached so nearly to annexation as to be effective by enabling a mandated country to be administered as if it were an integral part of the mandated country.[3]

However, Roskill[4] favours Hankey's authorship supported by Latham and Smuts, while Fitzhardinge[5] attributes authorship to Latham and Hankey which appears to accord best with the facts.

On this point Hughes himself supposed that:

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1. See Duncan Hall, 'The British Commonwealth and the Founding of the League Mandate System', in K. Bourne and D.C. Watt, (Eds.), Studies in International History, (London, 1967), pp.345-367.

2. Duncan Hall cites H.M.V. Temperley, A History of the Peace Conference of Paris, (London, 1920), vol.VI, p.501; Kerr's biographer, J.R.M. Butler, confirmed this view in his Lord Lothian, (London 1960) pp.74-75, Kerr claiming to have drafted the clause when Lloyd George and Smuts sent for him and they 'worked out together the compromise'.

3. Garran, Prosper the Commonwealth, p.265.

4. Roskill, Man of Secrets, p.54.

5. Fitzhardinge, 'W.M. Hughes and the Treaty of Versailles', p.136. See The Little Digger which fully develops the subject.

> The 'C' class mandate arose out of the flare-up between Lloyd George and me - there was Wilson's threat to leave the Conference. It was drafted by Bonar Law and Hankey.[1]

Although Hughes is correct in his assertion that the rationale behind a 'C' class mandate was his refusal to accept anything less, and in this inverted sense he 'inspired' the invention, he appears to be quite mistaken that Bonar Law had anything to do with it. Scott in the Official History which owes much to the researches of the offical war correspondent, Bean, has made out a case for Latham's leading role in the matter.[2] Clement Jones actually wrote to Latham in August, 1920, seeking information for the study on the Conference, commissioned by Balfour, to which we have referred. He asked Latham to write up the Mandates section.[3] In his reply the following year, well after the events and thus with the benefit of hindsight, Latham[4] provided Clement Jones with the references which he believed demonstrated how the 'C' clause had been formulated:

> Now I understand you drafted the actual formula that was approved and so I take it that either you were left by Hughes to deal with Hankey as to the details

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[1] Hughes wrote these remarks in the margin of his copy of Lloyd George's book, The Truth about the Peace Treaties; see Duncan Hall, Commonwealth, p.916, n.f.55.

[2] See Scott, Australia in the War, pp.781-3.

[3] Clement Jones to Latham, 12 August, 1920; Latham Papers, N.L.A., MS1009/22/144-6.

[4] Latham to Clement Jones, 31 January, 1921; Ibid., items 149-52.

> or else that, after H ankey had produced a formula that might suffice generally you were asked to make it suitable for Mr. Hughes.[1]

A month later Bean informed Latham that he believed that Latham had formulated the draft clause on the evening of the twenty-seventh 'after the British Empire Delegation meeting at Villa Majestic'.[2] Scott plumped for the following evening[3] and it would appear from an examination of the various minutes that either evening would have been possible. In his letter to Clement Jones in January 1921, Latham certainly demonstrates that he had not accepted the inflexible assumption of annexation versus a monolithic style of mandate which assumption led to the 'regrettable behaviour' and 'division' within the Delegation over the issue.[4] Years later Latham himself corrected Garran's account published in Prosper the Commonwealth. Reviewing this work Latham pointed out that the 'C' class Mandate:

> '*(had)* not originated between Sir Cecil Hurst and myself *(as Sir Robert Garran thought)*. I drafted the clause and showed it to Sir Maurice Hankey, who immediately took it to Lloyd George, who, Hankey told me, approved it at once.[5]

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[1] Bean to Latham, 13 November, 1935; Ibid., items 156-7.

[2] Bean to Latham, 12 December, 1935; Latham papers, N.L.A., MS1009/22/156-7.

[3] Scott, Australia in the War, p.781.

[4] Latham to Clement Jones, 31 January, 1921; Latham Papers, N.L.A., MS 1009/22/149-52.

[5] Latham, in Review of Garran, Prosper the Commonwealth, in Historical Studies, vol.IX, (1959), p.105.

It would also appear, following Scott, that Latham in conversation with Clement Jones and Loring Christie of the Canadian Delegation argued that since there was no substantive definition of the term 'mandate' it could be made to mean whatever the Conference wanted. Thus he drafted the clause, sent it to Hankey who added the word 'integral' while Latham tacked on a final clause:

> There are territories such as South West Africa and the Pacific Islands which, owing to the spareness of their population or their small size, or their remoteness from the centres of civilisation, or their geographical contiguity to the mandatory State, and other circumstances, can best be administered under the laws of the mandatory State as integral portions, thereof, subject to the safeguards abovementioned in the interest of the indigenous population.[1]

At the Delegation meeting on the twenty-ninth it was not Massey, Botha, and Hughes, who had been deputed to formulate a draft resolution with respect to mandates but Lloyd George who tabled the 'Draft Resolutions in reference to Mandates',[2] the result as we have seen of the composite labours of various members of the Delegation and the Secretariat. The minutes of this meeting are rather cryptic but it was clear that Massey and Hughes were not completely satisfied. In reply to their close questioning Lloyd George clarified his objectives. He wanted to keep the Japanese out of the resolution and establish the Dominions' case. This required caution for to go too far in the interests of the Dominions would be 'at the same time to establish the Japanese case also.' However, he was evasive and despite Hughes's questioning he would not be pinned down. In his own mind at this stage Lloyd George considered the Bismarck Archipelago a separate issue from the mainland of New Guinea, something which Hughes would not countenance in view of the serious implications with regard to defence arrangements. And as he pointed out, the Germans themselves had treated them as one. The British Prime Minister also seemed to hold the view that the Japanese held Islands in the north Pacific would be under the 'B' class Mandate which had specific provisions against the development 'of fortifications or military and naval bases'. Montagu supported Lloyd George's position throughout but Hughes finally won his point. The phrase in clause eight, 'the Pacific Islands', was withdrawn and 'certain of the South Pacific Islands' was substituted.[1] The clause could only mean those Islands in which the Australasians were interested. Clearly the Islands in the north Pacific, held by the Japanese were excluded. Lloyd George apparently felt that the 'B' class Mandate was more appropriate for them. Thus by these arrangements Australia would have virtual annexation while the Japanese would be bound by stringent arrangements with respect to defence.[2]

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[1] This clause appeared as paragraph 8 of 'Draft Resolutions in reference to Mandatories', as presented by Lloyd George to the B.E.D., B.E.D., 6, 29 January, 1919, Garran Papers, C.A.O., CP351/1/,B/4. See Scott, Australia during the War, p.783, ff. Note also the similarity with the formula Hankey drew up in December, 1918; see above, Chapter Three, I(a).

[2] Appendix, p.4, Ibid.

Although the Minutes do not indicate any heat at this session, Borden noted in his Diary that:

> Hughes haggled over it; and finally Lloyd George lost his temper and told Hughes that he (L.G.) had fought Australia's battles for three days but that he would not quarrel with the United States for Solomon Islands. Then followed a pretty warm scene. I supported Lloyd George,

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[1] Ibid., foot-note.

[2] See P. Birdsall, Twenty Years After, (New York, 1941), p.68.

> as he was clearly right. Hughes wanted to reach from one island to another across the Pacific. Finally some sort of agreement to the proposed resolution was reached.[1]

Hughes lost no time in reporting to Australia the 'rather stormy' meeting in which he 'strongly urged' the Commonwealth's claims. He was rather satisfied:

> Compromise ultimately suggested, which, although some improvement on other, rests on mandatory principle, but it does provide that on mainland of New Guinea, White Australia policy and all our laws shall have same effect as in Australia. Matter to be decided tomorrow. Botha, Massey and I meet at once. But as Lloyd George told us plainly that Great Britain could not and would not support any further, we seem to have no alternative...[2]

After further discussion with Lloyd George that day Hughes again reported, this time seeking support for the next step. It was clear that the British would no longer support direct control. The Mandate proposed for the south Pacific provided that Australia's 'own laws will operate on territory handed over. This would seem to provide for our own immigration laws, and navigation and tariff laws'.[3] Wilson however refused to nominate the mandatory Powers at the Conference preferring to leave this to the League of Nations. He was prepared to 'make a gentleman's agreement' which Hughes observed rather dryly would be in contravention of Wilson's own dictum of 'open covenants openly arrived at'. Hughes pointed out that Botha, Massey, and he were thoroughly disappointed

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1. Borden, Diary, 29 January; cited in Memoirs, vol.II, p.906.

2. Hughes to Watt, 29 January, 1919; C.A.O., CP360/8, item vol.3.

3. Second cable, same date; C.A.O., CP290/3/1, but CP360/8/3 dates this cable as the thirteenth.

at being left high and dry, thus he sought Cabinet approval:

> I most earnestly urge you and my colleagues not to agree to proposal unless (one) we are forthwith publicly appointed mandatories or get an undertaking in writing to that effect, and (two) that the mandate shall publicly give us complete control over immigration trade and tariff over New Guinea and the principle adjacent islands.[1]

At this point it would appear that Hughes felt he could help his case by some well placed articles in the press. He issued an appeal in The Times[2] to the British public to support the Dominion case; in Le Matin Hughes attributed Wilson's stance to fear of Californian reaction to a Japanese occupation of the Marshall and Caroline Islands and argued that Australian security was being sacrificed on the altar of Wilson's ambitions.[3] However, the article to which greatest offence was taken and whose authorship was generally accepted as Hughes's despite his silence on the matter, was a report in the Paris Boulevard edition of the Daily Mail on the morning of the next meeting of the Council of Ten:

> In spite of the energetic protests of the Dominion representatives the British Imperial War Cabinet *(British Empire Delegation)* has accepted President Wilson's theory of internationalization as applied to captured German Colonies. These protests have been of the gravest character... The Australian delegates fear that Australian public opinion will regard the proposal as extremely unsatisfactory, and, in view of the geographical position of the islands concerned and Australia's part in the war, as inexplicable. Dominion representatives generally, although very reticent, are obviously greatly perturbed.

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[1] Ibid.

[2] 29 January, 1919.

[3] Reported in the Sydney Sun, 31 January, 1 February, 1919 and also the New York Times, 3 February, 1919.

> It is evident that the step threatens the existence of the Empire. The decision involves an admission that the treaties made with Japan regarding her retention of the North Pacific Islands...must be arbitrarily modified if not torn up. The Japanese delegates are angry and alarmed and declare their unalterable determination to claim the islands they were promised. The Australians believe, rightly or wrongly, that the firm stand President Wilson is taking with regard to this matter is due at bottom to his fear that the Japanese occupation of them would cause a great outcry in America, and that he fears the attitude of Congress on March 4th if he agrees to their outright retention by Japan. Whatever the impelling motive, President Wilson remains absolutely determined in his attitude. He says that the Allies agreed to the acceptance of the fourteen points, and that among them was the principle of no annexations...[1]

Lord Riddell noted in his Diary that day, that the writer of the article called on him and categorically stated that he had based his information on statements by Hughes, Botha, and Ward and had in fact shown them the proofs of his article 'and they had suggested the sentence regarding the disruption of the Empire'. What was more, and worse, the author maintained that he had seen 'Montagu for an hour and that he had approved the article'. Riddell believed that Hughes was 'at the bottom of the whole thing'.[2] It was a grossly inaccurate account of events calculated to force the hand of the Council. That Wilson was furious became obvious in the Council session.

Eggleston naturally believed the campaign was inspired by Hughes. He spoke to Curtis and recorded the conversation in his diary:

> He *(Curtis)* simply said it was awful. He said Hughes was doing a terrible amount of harm and that his diplomacy was simply rotten because it was alienating us from the people who could help us and throwing us

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[1] Daily Mail, (Boulevard Edition), Paris, 30 January, 1919.

[2] Lord Riddell, Intimate Diary of the Peace Conference, 30 January, pp.16-17. See also Philip Kerr to Milner, 31 January, 1919; Milner Papers, Bodleian Library, MS Milner, 152.

> among people who could only do us harm and who are just using us as a catspaw. I have seen the resolution which is proposed. It is as fair as fair could be. The limitation that is proposed is on tenure of the islands *(and)* is only the same as we would voluntarily observe ourselves so give away nothing....1

Latham naturally enough supported the clause with which he had so much to do and years later in his published article contended that annexation would have been a 'disaster' as it would have allowed the Japanese to fortify and build naval bases right up to the Equator.[2] Eggleston was clearly disaffected by Hughes's policy but did not underestimate his own ability:

> Of course I myself know more about European politics than any of them. I can frequently put Garran wise to the character of the men that Hughes meets. But Garran is frightened to show Hughes anything I produce.... I am always hoping to persuade him to stand up against Hughes's chauvinism. But Garran who is an awfully fine stirling chap is first a lawyer and then unimaginative and he wont grudge *(?)* from Hughes's support...

Eggleston was distressed that Hughes apparently did not pay heed to Latham and Garran but consulted such types as:

> an old electioneering agent *(?)* named Deane, his private secretary, a War Correspondent named Gullett, a regular claquer who works the press for him and Keith Murdoch, the correspondent of the Herald, a most unscrupulous chap. So far as European politics are concerned, so far as history, diplomacy, or any of the arts that are necessary at a time ignored *(?)*. It is making me feel very uncomfortable...[3]

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1. Eggleston, Diary, 30 January, 1919; Eggleston Papers, N.L.A., MS423/6/82-85.

2. Latham, The Significance of the Peace Conference, pp.11-12.

3. Eggleton, Diary, 30 January, 1919; Eggleston Papers, N.L.A., MS423/6/82-5.

A Wilsonian in that camp would be most uncomfortable and this would account for Eggleston's premature departure from Paris.[1] Eggleston was quite mistaken as to Garran's courage in standing up to Hughes when the occasion warranted.[2] He has also misinterpreted Garran's views when in fact his long association with Hughes simply proved their harmony of interests.

At the Council of Ten meeting on the morning of the thirtieth[3] Hughes accepted Lloyd George's Mandate proposals as 'he did not feel fully justified in opposing the views of President Wilson and those of Lloyd George beyond the point which would reasonably safeguard the interests of Australia'. As the Australian Government was actually considering the Draft Resolutions he would have to withhold his assent until he knew of their wishes. At this, 'in unaffected good humour' the President referred to the press articles and their cariacature of his ideals. He was prepared to publish his views if such articles persisted. He believed it would be impossible to carry on if such partial statements which clearly broke the confidences of the Conference were conveyed to the press in this manner. He took great exception to any publication that promoted the view that there was a deep difference of opinion between the United States and the Dominions. He in fact welcomed the Draft put forward by Lloyd George as 'representing a compromise with the Dominions' and which proved that this question could now be settled without any real difficulty but there was one matter which stood in the way - the League had not been formally adopted. It was inconceivable that the

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[1] See Eggleston, Reflections of An Australian Liberal, (Melbourne, 1952).

[2] See below, this section.

[3] See U.S. Foreign Relations, P.P.C., vol. III, pp.785-95 for this discussion.

Mandates should be awarded before the League had been approved as part of the Peace. Lloyd George 'remarked that, with all due deference to President Wilson, he could not help saying that the statement to which they had just listened filled him with despair'. He insisted that 'what had been done last Saturday in giving birth to a League of Nations was a reality. It really had been born'. He proposed that the Draft Resolutions be accepted immediately subject to reconsideration by the League. Wilson accepted this. Arthur Walworth, his biographer, has brought to light a significant aspect on this point. Before the Council meeting Smuts had presented him with the Draft Resolutions for his information and no doubt discussed it. Wilson wrote on the document:

> I could agree to this if the interpretation were to come in practice from General Smuts. My difficulty is with the demands of men like Hughes and the certain difficulties with Japan. The latter loom large. A line of islands in her possession would be very dangerous to the United States.[1]

So Wilson had no quarrel with the formula but he had hoped to extract leverage in the interests of the League. However, a compromise had been reached. Hughes, as expected, was still not satisfied. The League, he believed, was 'already in existence' in that room; a decision could be reached if the Council accepted the position that they were 'the executive of the future League of Nations and settle the various problems that awaited settlement'.[2]

If the morning session had been difficult then the afternoon session provided fireworks and the classic exchanges between Wilson and Hughes. Actually, though, it was Massey who provided the occasion for any remarks. He opened the session with a re-affirmation of a well-worn and well-know stance: New Zealand preferred annexation but was prepared to compromise and clause eight of the Draft Resolutions embodied that compromise. He supported the proposal of a League and was prepared to shoulder his responsibilities to it. At this, Wilson, ignoring the final remarks lumped Massey's opening remarks with Hughes's from the previous session and bluntly asked:

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[1] Wilson, cited by A. Walworth, Wilson, Book II, p.250.

[2] U.S. Foreign Relations, P.P.C., vol. III, p.794.

> If he was to understand that New Zealand and Australia had presented an ultimatum to the Conference. They had come there and presented their cases for annexation of New Guinea and Samoa. After discussion among themselves, they agreed to present to the Conference that proposal. Was he now to understand that that was the minimum of their concession? And that if they could not get that definitely now, they proposed to do what they could to stop the whole agreement?[1]

Wilson may well have been annoyed by the newspaper articles but he chose the wrong man to bully, for Hughes was no respecter of persons in such matters. Massey and Hughes were surprised, no doubt, and Massey, quickly denying the accusation dropped out. Hughes took up the gauntlet, never one to avoid a direct challenge and here the accounts differ gloriously. The procès verbal obviously tried to cover up the emotional content in the exchange by recording rather flatly Hughes's bland reply as he attempted to answer the President. When Wilson more or less repeated his question in a 'hectoring', somewhat dictatorial' or even 'arrogant' manner,[2] Hughes's unexpected response has gone down in history. The President had hoped to bludgeon Hughes into submission. Even if the official procès verbal[1] is correct, the reply, stripped of colour, was shattering to the President. Hughes stood his ground. Wilson wanted to know whether the Conference had been faced with an 'ultimatum' from Australia and New Zealand:

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[1] Ibid., p.799; Miller, My Diary, vol.XIV, pp.90-93 contains two paralicl accounts to show variations in the procès verbal of this passage at arms; vol.I, pp.98-99, of My Diary, shows yet another version.

[2] Lloyd George's Comments; Truth about the Peace Treaties, p.542.

> That finding the Conference probably disinclined to agree upon the annexation of New Guinea by Australia and Samoa by New Zealand, they had reluntantly agreed to the modification of Clause 8; and that was the minimum of what they would concede, and if that was not conceded definitely now, they could not take part in the agreement at all.

The laconic response of the official version was 'President Wilson had put it fairly well'. Lloyd George recalled that Hughes had adopted an Americanism, was in complete command of the scene and answered: 'That's about the size of it, President Wilson'.[2] Whichever account one accepts and the latter has the ring of authenticity, the crucial point is that Hughes did not back down. What is more important, and it is a pity that the bearding of the President has obscured this, was, as Duncan Hall has observed, that Hughes's argument was 'clear, temperate and reasonable'.[3] The Australasians preferred direct control but as the Conference opposed this they had agreed to the draft. This was the maximum concession he could guarantee before he received further advice from his Cabinet who were presently discussing the formula. Should they be prepared to go further, 'he would offer no objection'. Speaking for himself, with great reluctance, he agreed to the proposal in Clause 8'. After what has been described as a moving speech by Botha who more or less apologised on behalf of those responsible for the press attacks, Massey, having recovered, assured the President no 'threats' were implied. A discussion ensued on the German Colonies of central Africa which was climaxed by Lloyd George's own reference to the press articles. He wanted the Council to issue a statement to avert the impression of 'a right royal row between the United States, Japan, Great Britain and her Dominions, France and everybody else'. The best course would be a communique which at least 'gave the impression that an agreement had been reached'. He suggested that it should be 'that they had arrived at a satisfactory provisional agreement and would examine the question later on'. This was accepted.[1] The incident was over with Lloyd George in a masterly manner turning the incident to secure a decision that appeared impossible at that moment. He reported as much to the King.[2] Wilson could be satisfied that assurances had been wrung out concerning the League; the trustee principle had been accepted and the League was to 'supervise' the mandated territories. And he had not had to pay the price that the Allies had virtually demanded: 'An immediate distribution of the spoils.'[3]

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[1] Proces Verbaux, 3.30pm, 30 January, 1919; Garran Papers, C.A.O., CP351/1, B/4; also in U.S. Foreign Relations, P.P.C., vol.III, 798-800.

[2] Hughes, cited in Lloyd George, Truth about the Peace Treaties, vol.I, p.542. Mr. L.F. Fitzhardinge, Hughes's biographer has accepted this version of the scene for which the apocryphal versions are legion; see Fitzhardinge, 'W.M. Hughes and the Treaty of Versailles, p.137. However, see The Little Digger for Fitzhardinge's final verdict on this famous passage.

[3] Duncan Hall, Commonwealth, p.249.

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[1] U.S. Foreign Relations, P.P.C., pp.800-16.

[2] Lloyd George to the King, 5 February, 1919; Lloyd George Papers, House of Lords Record Office, MS. F/29/3/7.

[3] Birdsall, Twenty Years After, p.72.

However, as far as the southern Dominions were concerned, any reading of 'Clause 8' of the Draft could not get round the fact that they were the 'mandatory states' in 'geographical contiguity' with the territories which their forces now occupied.

Immediately after the session Wilson spoke with Miller, one of his top legal advisers, and a member of 'The Inquiry'. Wilson intimated that he deliberately employed the term 'ultimatum' for he did not believe that the Australasians, representing some six million people should hold up a Conference representing some twelve hundred million people. This is a strange reaction from one who espoused the rights of the small nations. Wilson concluded his *post mortem* of the session with more revealing observations about his attitude to the Japanese. He did not trust the Japanese who already had broken their agreement about the number of troops to be employed in Siberia. Turning to the Pacific he observed that the Japanese were now closer to the Hawaiian Islands than the Pacific coast was and that Guam was the sole naval base in the region. His concern was that the Japanese could fortify the Islands and construct naval bases. He urged Miller to consider 'the limitation in the resolution to the islands in the South Pacific...in respect of the islands in the North Pacific which Japan held'.[1]

Garran noted in his Diary that Hughes had reserved assent, pending instructions from the Cabinet.[2] Hughes himself had written to Lloyd George of the situation, asking that the Colonial question be postponed for a day as he would be in 'a most embarrassing position and most certainly cannot assent to the proposal considered yesterday'.[1] The reply came the following day and mirrored Hughes's disappointment:

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[1] Miller, *My Diary*, 30 January, 1919, vol.I, pp.99-100; see Birdsall, *Twenty-Years After*, pp.76-7 for his conviction, based on the House Diary, that Wilson over-stepped the mark and that House would have settled the issue the day before without any fuss; see Seymour, (ed.), *Intimate Papers*, vol.IV, 30 January, 1919, pp.310-11.

[2] Garran, Diary, 30 January , 1919; Garran Papers, N.L.A., MS 2001/13.

> ... It is clear to us that the situation and prospects outlined by you are fraught with the gravest possibilities to the people of this country. The Government's unanimous view is that Australian representatives and other Dominion statesmen are now being forced to proceed to a policy of complete isolation, or, alternatively, to accept conditions surrounding our future safety and welfare which are not warranted by moral or national considerations. Your former cables conveyed comforting assurances that ... Britain and France would accept Australia's point of view and support her in this vital matter, and we view with greatest apprehension the changed attitude leading to acquiescence in Wilson's procedure and objective. However, the project of League of Nations may shape itself, the people of this country fully expected that the Peace Conference would determine such territorial questions before it rose. If this is to be left to some other gathering to be convened later, Australia will feel that its future has been left in a condition of grave doubt, and the Government begs of you to stress this phase to other Dominion statesmen, and particularly to the controlling minds of Britain, France, and America. On the question of mandate the people of this continent strongly feel that British or Commonwealth Government, preferably the latter, should be given full control of former German possessions now in occupations of our Forces....If this full trusteeship is impossible, then any mandate should specify publicly and definitely that the control of immigration, Tariff and trade matters should be given to the administering authority. The most important of these is immigration.
> ...Definite mandatory control, if inevitable,... should, we contend, be vested in the Government of the country whose security is especially affected, and whose troops are in occupation...[2]

Hughes was quick to respond, summarizing the stormy passages of the session. Although he did not get the categoric acceptance that Australia would be the mandatory in the South

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[1] Hughes to Prime Minister, 30 January, 1919, holograph letter; Lloyd George Papers, House of Lords Record Office, MS F/28/3/2.

[2] Watt to Hughes, 31 January, 1919; C.A.O., CP 360/8/3.

Pacific Hughes informed Watt that as a result of the decisions of the meeting he had 'no reason whatever to doubt' that Australia would be the mandatory and that Commonwealth 'laws will operate'. Consoling himself and perhaps attempting to convince himself that what he had regarded as a poor second was indeed even better than the direct annexation which he had preferred he explained to Watt the position:

> I fought to very last for direct control. Britain would support me. As result of very strong representations, Lloyd George put in condition for mandatory in Pacific and South-West Africa that will, if we are mandatory, give us all the power we want and all the safety too. Our position is in some respects better under the mandatory system, if we get it in above form, than if we were in outright control because Japan under mandatory system cannot and must not fortify Marshall and Carolines or use them for submarine or naval base.[1]

Up to this point at the Conference Hughes had fought for annexation on the acceptable grounds of security but always having in mind commerce, trade, and the preservation of 'White Australia'. Now that Australia could not have a completely free hand he was prepared to acknowledge the advantage this implied in that the Japanese would not have a free hand down to the Equator and he was hopeful that he could involve the Powers in the Pacific if he could not dislodge the Japanese from the Islands. Again, he had no faith in the League and considered it would be ineffective in controlling the appetites of imperialistic Powers. Now that his hand had been forced and it appeared that the League also was a reality he was prepared to accept the established

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1. Hughes to Watt, 31 January, 1919; C.A.O., CP 360/8/3.

facts and devote his energies to pinning back the Japanese, using and shaping the Mandate system and the League as best as he could.

Garran noted that behind the scenes Lloyd George was 'amazed' with Hughes but Garran believed the Australian Prime Minister had been 'let down' badly by Lloyd George 'with out discharging any adequate reason' and without giving Hughes much time to regather his forces and strategy.[1] But then, as Garran was prepared to admit, there were a number of 'mixed motives' complicating the affair. Wilson had his 'principles' and a need to score a quick success in view of his approaching address to a hostile Congress. Lloyd George was faced with a Foreign Office who believed that the 'Open Door' in Africa in the French Colonies would offset any disadvantages. Then Lloyd George was anxious to 'propitiate the United States'. So with all these pressures and counter pressures it was possible to account for his 'weakening'.[2]

The Australian Cabinet was unwilling to give Hughes a completely free hand and associate itself with Hughes's penchant for force majeur as a solution. So even while Hughes was seeking to strengthen his bargaining position by asking the Commonwealth Government not to accept Wilson's plan unless Australia was 'forth with publicly appointed mandatory' with 'complete control over immigration, trade and Tariff', Cabinet cautioned Hughes against unwarranted excesses:

> We feel sure you realize...that Australia could not endanger relationship with Motherland and antagonize America without placing its whole future in jeopardy, and your colleagues, in full recognition of the splendid fight you are putting up to preserve Australia's future, and requesting you to continue

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[1] Garran, Diary, 30 January, 1919; Garran Papers, N.L.A., MS2001/13.

[2] Ibid., 31 January, 1919.

> such representations as far as you may consider it prudent to do so, leave this most important of all considerations entirely in your keeping, contenting themselves with an expression of the hope that, should developments appear to render imminent a decision seriously affecting our continued relationships with the British Government you will, if possible, take the opportunity of conferring with us.[1]

Despite this, a few days later, Hughes received Cabinet's approval for him to press for the nomination of Australia as the mandatory Power and the application of Commonwealth laws in the Territories.[2] Watt rounded off his cable informing Hughes that he could be sure that in any public statements he would 'not express satisfaction with the mandatory principle'. The Governor-General himself informed Hughes that he had 'to confess a liking for the "fruits of victory" and am very adverse to barter them for an unknown Millennium'.[3]

Latham believed that Hughes deliberately avoided Lloyd George as a result of the newspaper campaign. 'Hughes', he noted, 'would not run the risk of running into L.G. Plainly relations are difficult'.[4] Actually, Hughes had tea with Lloyd George's confidant and press agent, Riddell, after the stormy session. Riddell was baffled as to Hughes's continued opposition to a mandatory system which included a clause that virtually gave him all that he wanted. Hughes was quite as perky as ever as he chatted over his cup of tea and with his 'cigarette behind his ear'.[1] Riddell dined that night with Lloyd George who was still seething over the difficulties that he believed Hughes had created for him.

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[1] Watt to Hughes, 31 January, 1919; C.A.O., CP 360/8/3.

[2] Ibid., 3 February, 1919; Watt also agreed that a 'special mandate system may be preferable to free annexation in that it binds Japan concerning naval bases etc.'

[3] Munro Ferguson to Hughes, 7 February, 1919; Novar Papers, N.L.A., MS696/2777.

[4] Latham, Diary, 3 February, 1919; Latham Papers, N.L.A., MS1009/21/21.

Reaction to Hughes's press campaign and the Mandates system were understandably mixed. Hughes's inveterate opponent in the Australian Parliament, Catts, reckoned Hughes conducted the campaign at the Peace Conference much as he would an election campaign in Australia:

> There was no limit to his Billingsgate and questionable tactics; and his conduct has been universally condemned by the daily press and magazines of Britain, Europe, and Australia.[2]

He was quite wrong in the latter assertion which at least demonstrates that Catts was prepared to use Billingsgate rules himself to prove a point. Actually the British press was divided over Hughes's tactics. The London Daily News labelled him a 'public danger' while the Liberal Manchester Guardian, the non-conformist conscience of the nation, branded his claims and methods as 'essentially immoral',[3] and the Westminster Gazette deplored the bad form shown by a Prime Minister of Australia.[4] On the other hand, those that supported Hughes's opposition to Mandates also found little to quarrel with in the airing of the issue. The Times, ignoring the outbursts, concentrated on an examination

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1. Riddell, Intimate Diary of the Peace Conference and After, pp.18-19/
2. Catts, C.P.D., vol.LXXXIX, 17 September, 1919, p.12435.
3. Both are cited in S.M.H., 3 February, 1919.
4. Cited in the Argus, 8 February, 1919.

of the issues devoting considerable space to a favourable examination of the Australian case for the Territories concluding that 'however unimpeachable the mandatory form may be, we cannot see any advantage, in riding it to death at the outset...*(and)* it is far better to hand them over frankly to the Dominions...than to constitute them as beneficiaries under reluctant trustees'.[1] The Morning Post was unashamedly proud of Hughes's 'gallant fight':

> A matter which the Big Five believed would be disposed of in a few hours, and which was in their view a trifling issue, was forced, mainly by the tenacity and daring of Mr. Hughes into one of the grand causes of the Conference. For a week Paris seethed with it, and it monopolised the Press of the world. The Little Digger's offensive was true to the character of the A.I.F. and it was not in vain.

It was a 'personal triumph'. Indeed the author was dismayed that Hughes should have suffered any censure at all. It was a pity that the British had not listened to him much earlier when he had protested against accepting the 'Fourteen Points' in the armistice terms:

> But, unfortunately, not only for Australia but for the British Empire and the Allied cause as a whole, his protest was unheeded. He was indeed denounced for lack of taste in daring to suggest that the British Government was not fully alive to every possibility of the situation, and was rebuked for embarrassing Mr. Lloyd George and his colleagues. The proceedings of the Peace Conference have shown the Australian Prime Minister to have been absolutely right in his contention. The Fourteen Points have cheated Australia of the South Pacific Islands, and are greatly weakening the British and Allied position in the Conference. With the Fourteen Points behind him President Wilson has been able absolutely to impose his will upon the Conference.[2]

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[1] The Times, 31 January, 1919; see also the thirtieth, and 1,2 February, 1919.

[2] Morning Post, 11 February, 1919; my emphasis.

The French press was frankly jubilant. Le Matin, for example, paid a high tribute to the vigorous battle he had waged and that it was refreshing to turn from a 'noble ideology' to the 'views of a practical man'.[1] Arthur Mason, the Sydney Morning Herald's correspondent at Paris, cited this article as an example of how Hughes was being encouraged by certain sections of the press. Mason acknowledged that a case could be made out for publication of proceedings and an open debate but clearly the Conference leaders did not want undue pressure brought to bear on them while a matter was sub judice; Hughes knew this and broke an unwritten convention.[2] The Argus criticised his tactics, recalling the well known incident of Bismarck bursting in on the Pope, with the explanation that he was Bismarck, only to be met with the rejoinder: 'That may account for, but does not excuse your conduct'.[3] The Daily Telegraph bemoaned the fact that one of the penalties Australia had to pay for being so far removed from the centre of affairs consisted in being misrepresented, and unfortunately in a 'grotesque' fashion.[4] At least the Melbourne Herald, with Murdoch having access to the most intimate details of Conference affairs, rose to Hughes's defence, praising his resolute and vigorous approach. Indeed, Murdoch deplored the lack of information that rendered it difficult to appraise the situation:

> Now it is worse. President Wilson talks about open covenants, yet his thunderous protests on Wednesday, in charging the British delegates with talking to the press, have enshrouded "The Big Five", as the Americans call the leaders, in a deeper, and in a more inscrutable veil. Delegates have been rewarded

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[1] Le Matin, 2 February, 1919, cited in Morning Post, 3 February, 1919.

[2] S.M.H., 3, 4 February, 1919; the latter article was quoted by Catts in his attack on Hughes on 17 September, 1919 in the Australian Parliament.

[3] Argus, 8 February, 1919.

[4] Daily Telegraph, 4 February, 1919.

with no talk or mention of "The Big Five's" secrets.[1]

Watt actually complained to Hughes the same day that Murdoch appeared to get the 'promptest and completest information'. More important, the Australian Government was 'a day or two behind what Murdoch has openly published' thus he could not even state the Commonwealth's views to the general public let alone discuss it and elaborate on it.[2] The Argus that had been so critical of Hughes's tactics, believed he had every right to pursue annexation.[3] The Sydney Morning Herald could see the defence advantages provided by the League in that the Pacific Islands would not be fortified and thus Australia would be secure from a surprise attack. It commended his policy of ensuring that Australian interests were not overlooked in the midst of 'such stupendous issues'. Their special correspondent, Arthur Mason, so ambivalent as to Hughes's methods, now applauded his forthright espousal of 'Australia's claims to the islands we believe to be rightfully in our possession'; he had done 'all that could be done'.[4]

Murdoch, reviewing the labours of the Conference, recognized the dangers lurking in the mandatory system but believed Australia had to face the fact that the League was a reality and 'throw herself wholeheartedly into it'.[5] After all, he argued, the League could compel the Japanese to dismantle the fortifications already erected

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1. Melbourne Herald, 3 February, 1919.

2. Acting Prime Minister to Hughes, 3 February, 1919; C.A.O., CP360/8/3.

3. Argus, 3 February, 1919.

4. S.M.H., 29 January; 8 February, 1919.

5. Melbourne Herald, 3 February, 1919.

and the 'open door' would operate there ensuring the preservation of Australian economic interests, thus there were substantial gains to be won by accepting the formula.[1]

Now that the 1917 'secret treaty' assuring the Japanese of the north Pacific Islands was out into the open, public criticism of the Australian Government began to appear. The Western Australian branch of the Australian Labor Federation was incensed at the thought that while Australian troops in France were fighting for the integrity of the Continent, these strategic islands had been bartered away. Indeed, it was only that week that Cabinet itself was informed of the substance of the cables exchanged between the Colonial Secretary and the Australian Government.[2]

T.J. Ryan, the Queensland Premier, spoke out in New York against the retention of the Islands by Japan in a most forthright speech, warning of the dangers to Australian and American interests of an 'unfettered control'. There was a community of interests, Ryan claimed, in the Pacific that should ensure the mutual regard for each others security. Yet, at the Conference, noted the Japan Advertiser, Australia and Japan were linked together, opposing the Wilsonian solution to the problem of the Islands. Ryan, it was observed, was a political opponent of Hughes, and Ryan favoured the mandatory solution which would prevent Japan gaining the 'unfettered control' of the Islands and would ensure some sort of supervision over the Islands.[3]

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1. The Secretary, W.A. Branch, A.I.F., to Acting Prime Minister, 3 February, 1919; C.A.O., CRSA981, item Marshall and Caroline Islands2.

2. M. Shepherd, secretary, Prime Minister's Department, minute, 4 February, 1919; Ibid.

3. Ryan, New York, 12 February, 1919 cited in Japan Advertiser, 18 March, 1919; Piesse Papers, C.A.O., CRS A2219, vol.VI.

Hughes had his own man in New York who ensured that the Prime Minister's case was prominently advertised and outlined in influential circles. Braddon, the 'Commissioner for Australia in America', placed an article on Hughes's case for annexation rather than mandates in the New York Times.[1] Braddon shortly afterwards spoke at an 'important Conference' on the Pacific, as Australia's representative.[2] He was performing the duties that Hughes had envisaged:

> ... Re diplomatic or business representative - The policy I put before Cabinet and which Cabinet approved, involved both. A diplomatic representative is required to act as national representative of Australia in same way as Ambassadors or Consul Generals representing other countries. His functions would be quite distinct from those of business representative. For the present however, I think the appointment of a diplomatic representative should stand over. I have discussed status of such a representative with British Government as has Borden also. There are certain difficulties in the way which I hope to settle satisfactorily before I return home.....[3]

On the Islands question there was support for Hughes's case in the United States. The New York Herald was anxious that whatever solution was reached, Australian security should be assured.[4] The New York Sun referred to the mandate proposal as 'a bottless dream, without a worthwhile practical basis'; the Colonies, it concluded, ought to be used to settle Germany's indemnities.[1] The New York Times appreciated the guarantees for security within the mandate scheme but questioned its practicality: 'Mr. Wilson's plan is novel, far-reaching, but is it practicable?'[2] Wilson's opponents in the Senate saw it as 'preposterous'; Senator Johnson declared he would 'never vote for a treaty to send American troops to Africa or Asia'. The influential Senator Lodge of Massachusetts demanded the cession of the islands to the southern Dominions, and at the same time condemned American policy for creating difficulties for the Dominions whose links with the United States he believed were useful.[3]

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[1] 30 January, 1919.

[2] Braddon to Hughes, 5 February, 1919; C.A.O., CP 290/3/1.

[3] Hughes to Watt, 26 January, 1919. Ibid.

[4] 21 February, 1919; cited in Sydney Daily Telegraph, 21 February, 1919.

Hughes was determined to press home his policy of having the mandatories named at once and the terms of the mandates specified. He drafted memoranda on the subject for distribution among the members of the British Empire Delegation. He repeated his opinion that the mandatory principle should not apply to the Islands but suggested that if it was to apply, then both the naming of the mandatories and the terms of the mandate should be decided at once. He emphasised that control over them must be such as to give the Dominions 'unfettered power' to control all matters affecting defence and security, and in particular, immigration and trade. The Islands, he believed, were Australia's 'back door' and so an effective guard of that door would require the 'exclusive control of them all'. On this latter point Hughes specifically cited 'the islands of the Bismarck Archipelago' as an integral part of the island chain to which Australia laid claim. He included a special plea for sympathy from the Americans:

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[1] Cited in Ibid., 3 February, 1919.

[2] 30 January, 1919; Piesse Papers, C.A.O., CRS A2219, vol.VI.

[3] Cited in S.M.H., 3 February, 1919; The Sun, 2 February, 1919.

> Australia has seen, in the United States and elsewhere, the evils which follow from the introduction into a country of large populations of widely different race, type, and habits of life - a population which cannot, without the most disastrous consequences, either be absorbed or remain unabsorbed. And she is resolved that, at any cost and any sacrifice, Australia shall be free from these evils.[1]

Latham, who had been busy for some time drawing up memoranda on the mandate question, was present at a British Empire Delegation meeting where Hughes pursued this line of 'demanding' that matters be settled at once. Latham informed his wife that he was not at liberty to mention details of this 'most interesting meeting' but his private diary records 'the vigour, force, insistence, quick apprehension and activity' associated with Hughes's prosecution of affairs. Latham whose own memorandum outlined the strategic advantages to be gained by acceptance now of the formula, disapproved of Hughes's guarded policy of remaining uncommitted or noncommittal. He opposed his continued use of the tactical escape clause, 'without prejudice' which he believed Hughes was over-doing[2].

Yet shortly after this meeting Hughes drafted a cable for Watt outlining clearly and unequivocally the stand he had taken at the meeting:

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[1] Hughes, 'Australia and the Pacific Islands', W.P.C., 71, B.E.D., 6 February, 1919, and 'Memorandum Regarding the Pacific Islands', W.C.P., 116, B.E.D., 8 February, 1919; Milner Papers, Bodleian Library, Milner MS153. Copies are also to be found in Hughes, Garran, and Latham Papers.

[2] Latham to Ella, 9, 23 February, 1919; Diary and Notes, n.d., but compiled at Paris; Latham Papers, N.L.A., MS1009/21/1427-9 and 21. The B.E.D. meeting was on the seventh. Latham's memo, 'Mandatory System and the German Pacific Islands', 21 February, 1919 may be found in Piesse Papers, Pacific Branch of Prime Minister's Department, C.A.O., CRS A2219, vol.IX.

> I have handed to Peace Conference strong memorandum.... I have said in most definite terms that no mandate will be acceptable to Australian people which does not give it same power to make laws in respect of those territories as over Commonwealth and Papua, subject to safeguards against slavery, ill-treatment of natives, sale of firearms and alcohol, and raising of offensive native army.[1]

Watt flashed back the Government's unqualified endorsement of this latest tack in Hughes's policy.[2] The Governor-General too, in a lengthy personal letter to the Colonial Secretary, Milner, surveying the variety of high level opinion over the islands concluded that Hughes's current pronouncements had received widespread approval:

> ...Whatever may be their views about annexations all parties are unanimous in excluding Asiatics from Australia and though not so outspoken as Mr. Hughes, most politicians are anxious that the Southward expansion of the Japanese should be combatted. If the mandate conferred on Australia to administer the German Islands, at present occupied by her, provides for the enforcement of Australian laws in those territories Japanese immigration is certain to be restricted.....Mr. Hughes's vigorous demand for unfettered control of the Islands under military occupation, his championship of British Naval supremacy, and his expressed determination to resist Japanese infiltration into Australia and the adjacent Islands have earned for him widespread approbation in spite of his indiscretions and the criticism he incurred last year as a result of his attack upon the British Ministers.[3]

Hughes was intent on digging in his heels, refusing to be stampeded into the acceptance of any scheme which had not been thoroughly worked out before-hand:

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[1] Hughes to Watt, 10, February, 1919; C.A.O., CP360/8/3.

[2] Watt to Hughes, 13 February, 1919; C.A.O., CP290/3/1.

[3] Munro Ferguson to Colonial Secretary, 10 February, 1919; Novar Papers, MS696/6672-5. The Governor-General also outlined for Milner's benefit, the 1915 discussions between Harcourt and Fisher.

> Tomorrow, Imperial Cabinet meeting is to be held for purpose, I assume, of getting Dominion Representatives to accept in globo *(sic)* to enable Wilson *(to)* go back *(to)* America and say world has accepted. To this way of stifling proper criticism on this vitally important matter I most strongly object, and I urge you and my colleagues to support me in my request for full opportunity of discussing scheme in detail, and submitting same to Commonwealth Government.[1]

Realizing that Wilson was on the verge of leaving for the United States Hughes, evidently, according to the information received by Hankey, decided once again to take direct measures which once again landed him in 'hot water'. Hankey, afterwards, described what had happened to Lloyd George who also had had to rush away from the Conference on pressing domestic affairs:

> It *(the Memorandum)* had been sent by him *(Hughes)* direct to the President of the Conference *(Clemenceau)* without having been communicated to the B.E.D, its Secretary, or so far as I can ascertain, any Member... about it was that Mr. Hughes should have communicated direct with the President without reference to Mr. Balfour or to his colleagues...[2]

Hughes's memorandum eventually was tabled as it was circulated for the information of the Imperial War Cabinet. However, Garran was deputed to speak to Hughes who guaranteed that he would in future address all communications to the Conference directly through the secretary of the British Empire Delegation, Hankey himself[3]. And there the matter was allowed to rest.

If that particular point was allowed to rest, Hughes by his very nature could not feel at ease. He would not feel safe until Australia was actually named at the Peace Conference

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1. Hughes to Watt, 13 February, 1919; C.A.O., CP360/8/1.

2. Hankey to Watt, 13 February, 1919; C.A.O., CP360/8/1.

3. Ibid., see Roskill, Man of Secrets, p.55, who states that Hughes sent his memorandum to President Wilson; the President of the Conference was Clemenceau.

as the mandatory Power. This took some time for it was not till 7 May that the British proposal for the distribution of the Mandates was accepted and announced. Australia at last was nominated as the mandatory Power in the 'German Pacific Possessions South of the Equator' with the exception of the German Samoan Islands and Nauru. The case of Nauru was peculiar. On Lloyd George's suggestion it was awarded to the British Empire owing to 'some difficulties' which had arisen between Australia, New Zealand and Great Britain, all of which, to use Lloyd George's euphemism, had 'certain interests' in the Island. It was an exceedingly valuable source of phosphates.[1]

In the interval, Hughes was most careful to ensure that Australia gained the 'Islands on a satisfactory tenure' as he explained to the Governor-General.[2] The British Empire Delegation meetings were the area where the details of the final British proposal were worked out. Milner in February had been commissioned to draft a final version of the British resolutions in consultation with Botha, Hughes and Massey.[3] A month later he presented his draft.[4]

The areas of particular concern to Hughes which arose out of this important Memorandum were the 'Open Door', fortifications, and Nauru. As the Territories were to be administered as 'integral portions' of the mandatory Power control over commerce, trade, and immigration was ensured. Hughes however, proposed an amendment to the clause which made provision for the eventual incorporation of the Territory with the mandatory Power if the indigenous population expressed such a desire. He feared that as this clause applied equally to the 'C' class Territory north of the equator, the Japanese would be able to claim that the provisions of the Mandate no longer applied. They would not be bound by the clause forbidding the erection of fortifications. He approved of the clause which made it possible for an eventual incorporation but preferred to see it worded so that even after such incorporation fortifications would be prohibited. Cecil pointed out that the Japanese had insisted to him privately that they expected equal treatment, or else, as he had informed Balfour, they believed a 'serious situation' would arise. Cecil had assured them that there would be equality of treatment but that Australia being so close to New Guinea and the Marshalls being 'right out in the middle of the ocean', there could be differences in details.[1] However the British Empire Delegation plumped for equality of treatment, Lloyd George emphasising that he would not allow a departure from this principle 'without a struggle'. In particular he did not want to see Britain lose its trading rights in the Japanese Islands under the Mandate. However Austen Chamberlain pointed out that the Australasians preferred exclusion from the Japanese Islands as the price for excluding them south of the equator. Hughes nodded his agreement. In the end Hughes provided Milner with his own draft for this clause the following day.[1]

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[1] U.S. Foreign Relations, P.P.C., vol.V, 7 May, 1919; see below for details on the award of the Mandate for Nauru.

[2] Hughes to Governor-General, 15 March, 1919; Novar Papers, N.L.A., MS696/2772.

[3] B.E.D., 9,20 February, 1919; Garran Papers, C.A.O., CP351/1/, B/4.

[4] Ibid., 13, 13 March, 1919. The following discussion is based on these Minutes.

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[1] Cecil to Balfour, 10 March, 1919; Peace Conference Correspondence, F.O. 608/211/4719. See also comments on the matter raised in the Commons, 4 March, 1918, cited in F.O. 371/3236/50571.

With reference to Nauru, Hughes drew attention to Milner's recommendations that the Nauru Mandate should be awarded to Great Britain. Hughes categorically laid claim to it for Australia on the basis that it had been captured and held by Australian troops.[2]

Hughes also, outside the British Empire Delegation raised the question of the Anglo-French condominium in the New Hebrides. At various times Watt had urged a settlement of this vexed question which had plagued Australians for years. Munro Ferguson and Burns too, over the years had raised the issue with the Colonial Secretary in despatches and memoranda. Balfour notified Hughes that the question would be kept before the French in any inter-Allied conference on matters arising out of the War. The difficulty lay, explained Balfour, in finding suitable compensation elsewhere which would satisfy the French without making an undue sacrifice of useful British interests. Although the question was raised with the French during 1919, as Balfour predicted, nothing came of it.[3] However, on the other side of the coin, Hughes and Munro Ferguson at various times had expressed satisfaction that the presence of the French in the south Pacific was a source of strength should difficulties arise there.

Hughes pursued his objective of having the mandatory Powers named. He did have support in Bonar Law who urged

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1. Hughes, 'New Clause 6 for Typical Mandate, Class "C".' 14 March, 1919; CAB 29/9. In September, Milner informed Hughes that the provision for incorporation was rejected; Colonial Secretary to Prime Minister, C.A.O., CP 4/11/3.

2. See Memorandum by Milner, W.C.P. 211, Annex III and B.E.D., 13, 13 March, 1919.

3. Balfour to Hughes, 24 March, 1919; Garran Papers, C.A.O., CP 351/1, B/2.

this policy on Lloyd George. He argued that this could be done in an annex to the Treaty.[1] Hughes also urged this policy on Colonel House, just before the 'Big Four' were due to meet and deliberate on the British proposal. Hughes outlined to House a case which once again would result in the 'C' Class Mandate being treated differently from the others. Because these Territories were to be administered as an 'integral portion' of the Territory of the Mandatory there should be no difficulty in the Peace Conference settling the question rather than the League. The terms of Article XXII of the League of Nations expressly allowed for the terms of a Mandate and the actual nomination of the Mandatory Power to be settled before the League began operations. He emphasised the terms of the article for House's benefit:

> Art. XXII of the League of Nations expressly provides, as an alternative, the settlement of the mandates by the Peace Congress instead of by the League of Nations: "The degree of authority,, control or administration to be exercised by the Mandatory shall, *if not previously agreed on by the members of the League*, be explicitly defined in each case by the Council".[2]

This futile attempt by Hughes is an indication of his deep anxiety and his inability to let a matter rest in the hands of others. He was at his wits end, as he explained to Watt:

> My position here is absolutely unbearable. Australian vital interests - the Islands, economic, indemnity, White Australia - are at this very moment being decided by four. All sorts of influences are at work and my task of protecting Australia is no easy one. Then on top of all this is wheat, lead, copper, and, other produce. However, I am doing my best...[3]

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[1] Bonar Law to Lloyd George, 3 May, 1919; Lloyd George Papers, House of Lords Record Office, MS F/30/3/52.

[2] Hughes to House, 5 May, 1919; cited in Miller, My Diary, vol.IX, Document 935, pp.289-292, enclosing Hughes Memorandum on the subject.

[3] Hughes to Watt, 22 April, 1919; C.A.O., CP360/8/4.

The 'Big Four' duly announced the Mandatories a few days later, leaving a Mandates Commission chaired by Milner to settle the details of the Mandates.

The Mandates Commission consisting of representatives of the 'Big Four' and Japan met during June and July. The terms of reference for this Commission were quite blunt. What were the best means of eliminating German rights and claims in the ex-German Possessions and what conditions should be attached to each Mandate?[1] At the July meetings the Japanese delegate reserved acceptance of the 'C' Class Mandate claiming that the draft under consideration made no mention of commercial equality when the League of Nations stood for the 'equality of treatment in the economic sphere'. Furthermore, and independent of this question of interpretation, Japan, who had been a loyal Ally would find herself in New Guinea 'in a situation inferior to that they had enjoyed before the War'.[2] Milner cabled to the Governor-General the depressing news. The Japanese delegate, he informed him, had pressed for the 'Open Door' in New Guinea and made his agreement to the 'C' Class Mandate subject to a reservation on this point. Hughes who was on the high seas returning to Australia was informed by Milner by radiogram of this decision.[3] There is no record of his immediate reaction but judging by the extreme caution and the care he employed on the matter over the next eighteen months, this setback, which proved to be temporary, must have reinforced his determination not to be thwarted by the Japanese.

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[1] Commission on Ex-German Colonies', W.C.P., 255, B.E.D., Latham Papers, N.L.A., MS1009/21/1309.

[2] 'Council of Heads of Delegation', 7, 13 July, 1919; U.S. Foreign Relations, P.P.C., vol.IX, pp.641-8 and 663-5. See Piesse, 'German New Guinea - The Japanese Objection to the Terms of the Mandate, C.A.O., CRS A2219, vol.IX.

[3] Colonial Secretary to Governor-General, 18 July, 1919, indicating a message was to be radioed to the Prime Minister; C.A.O., CP317/7.

Nauru

Nauru was treated as a special case. It was awarded to the British Empire. Almost single-handed, Hughes battled to secure an Australian interest when it seemed inevitable that Britain would secure the Mandate. There is no doubt that Milner's recommendation in March would have been uncontested apart from Hughes's objections. It is clear that Lloyd George would have recommended Great Britain as the mandatory Power on the basis of Milner's report. Hughes's opposition decisively prevented this from occurring.

Before the War, a British firm, the Pacific Phosphate Company, had secured a concession from the German Government and held a lease to work the phosphates. The same company worked phosphates on the neighbouring British Colony of Ocean Island. The British case as outlined by Milner in his memorandum and later by Keith rested on a number of elements not the least of which was that Ocean Island was the nearest British or Dominion possession, thus establishing a prima facie case for control of the Island.[1] Keith pointed out that the British Company had contributed to the eventual surrender of the Island and that during the War the Island was placed under the control of a Deputy Commissioner for the Western Pacific within the jurisdiction of the High Commissioner and not under the control of the Commonwealth.[2] Although neither Milner nor Keith used the stated desire of 'all the Nauruan Chiefs' to remain under British control rather than that of the Dominions, the Colonial Office

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[1] Milner, Memorandum, W.C.P. 211, B.E.D., 13, 13 March, 1919, Garran Papers, C.A.O., CP 351/1, B/2

[2] Keith, War Government of the Dominions, pp.130-31.

Memorandum registers this point. The Administrator reported to the High Commissioner of the Western Pacific that on Empire Day, Queen Victoria's birthday, the Chiefs requested that the following message should be forwarded to the Colonial Secretary:

> "We Nauruans have a request to make on this, Queen Victoria's Day.
>
> We ask that we may remain under the protection of Queen Victoria's grandson His Majesty King George V and that He will keep us as his children, who are newly born in the year 1914".[1]

The Australian case rested simply on the undeniable fact that the 'Melbourne' secured the surrender of Nauru, days before the capitulation at Rabaul covering all German possessions which it administered. In November Colonel Holmes occupied Nauru and Australian forces remained in possession continuing the military occupation of the Islands right through the War and during this debate within the British Empire Delegation at the Peace Conference. As Hughes concluded his memorandum on the subject in May 1919, the last of quite a number that had been written on the question:

> It is submitted that it would be an ungracious and unnecessary action to require Australia to vacate this island for the sake of a mere change of nominal ownership and control.
>
> There can be no substantial or adequate reason for such a step. The island is valuable for its phosphatic deposits. Great Britain, New Zealand and ourselves equally and urgently need them. Guarantees of the most absolute kind can be arranged for a fair distribution. What possible reason remains for a dispossession which in the circumstances would be humiliating and unfair?

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[1] Administrator, Pleasant Island, (Nauru), to High Commissioner for Western Pacific, 14 June, 1918; C.O. 532/128; see also High Commissioner to Colonial Secretary, 26 November, 1918; CAB/24/7, p.21.

In a postscript to this Hughes instructed Garran to add a paragraph emphasising that Britain already owned the phosphate atoll, Ocean Island.[1] Part of Hughes's case was a rejection of the New Zealand claim concerning the Island. He refuted the view put forward by Massey that, to use Hughes's language, 'the manurial *(sic)* requirements' of Australia were less than those of New Zealand. Massey's Memorandum was not a claim to the control or administration by New Zealand but that her needs were even greater than Australia's and that Auckland and Sydney were more or less equi-distant from the Island anyway.[2] Hughes pointed out to Lloyd George that 'the real facts' would show that Australia's needs were greater than those of New Zealand, which was 'precisely the opposite' position to that put forward by Massey.[3]

Not only did Hughes find Massey's claim 'intolerable' but he was so incensed over the way the Nauru situation had developed that he was prepared to refuse to sign the Treaty. He informed Watt of this on the day the Island was awarded temporarily to the British Empire pending settlement between the three interested parties:

> On Monday we had long heated discussion re Nauru mandate course of which Massey objected in most offensive way to Australia having Mandate insisting that it should go to Britain I had of course presented our case to Lloyd George and Milner previously and stated the position very plainly. My representations were set out in a memorandum and letters extending over many months and most recent embodied substance of your last Nauru cable. I saw Lloyd George subsequently who seemed

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[1] Hughes, Memorandum on the Disposition of Nauru', 7 May, 1919; Garran Papers, CP 351/1/17; included in this file are a number of memoranda on the subject by Garran.

[2] Massey, 'New Zealand and the Pacific Islands', 14 February, 1919, WCP 97; Hughes Papers, N.L.A., MS 1538.

[3] Hughes to Lloyd George, 5 May, 1919; Lloyd George Papers, House of Lords Record Office, MS F/28/3/36.

> personally favourable to us but stated could not settle in absence of Milner who is ill. Milner is strongly against us and wants to keep Nauru for United Kingdom. Fact is that British Company which claims Nauru is at back of Milner's opposition. Lord Balfour of Burleigh is chairman of this Company and is apparently able to exercise great influence on Milner.[1]

The previous autumn, Baron Balfour[2] had contacted Hughes with the expressed objective of renegotiating the pre-War contracts. In this initial contact he pointed out the extreme importance of the contract to both as the Company supplied eighty per cent of Australia's requirements. Because of the rise in costs during the War the company was actually running at a loss, supplying Australia at pre-War prices.[3] It was obvious that an 'equitable re-arrangement' was imperative. Garran, to whom the matter was referred for a legal opinion considered the company's request quite reasonable.[4] He conducted the initial interview with the managing director as Hughes was absent in the north of England. On his return, having been advised by Garran, Hughes made two requests of Balfour:

> I should be glad if you would give me full particulars of the tenure on which the islands from which the Company obtains its phosphates are held, and the nature of your rights with respect to them.
>
> I should also be glad to know whether the Company would be prepared to put these islands under offer to the Commonwealth Government.[5]

Balfour took a week to reply. He reckoned that the firm's tenure was based on 'formal Government concessions'. It had

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[1] Hughes to Watt, 7 May, 1919; C.A.O., CP360/8/4.

[2] No relation to Arthur Balfour. He was in fact, Alexander Hugh Bruce, sixth Baron Balfour of Burleigh, (1849-1921); Scottish Peer; chairman of numerous commissions; Secretary for Scotland, 1895-1903; chairman of the Board of the Pacific Phosphate Company.

[3] Balfour to Hughes, 16 September, 1918; Garran Papers, C.A.O., CP351/1/6.

[4] Garran to Hughes, 28 October, 1918; Ibid., item 17.

[5] Hughes to Balfour, 7 November, 1918; Ibid.

'by concession exclusive right to...eighty-two years of exploiting the Phosphate deposits existing in the Marshall Islands Protectorate which includes Nauru'.[1]

Independent of these inquiries by Hughes and of his offer on behalf of the Commonwealth Government to acquire the company's interest in the Islands, the Defence authorities in Australia were alarmed at the way the situation at Nauru was developing. Watt passed on their disturbing appreciation of the way Australia was being shouldered out of Nauru. The Pacific Phosphate Company had actually requested through the Colonial Secretary the removal of the Australian garrison. The Island administration was under the jurisdiction of the Western Commission yet the military occupation had been an Australian operation. The implication was clear. Now that the War was over, a British civil administration was to replace the Australians. However when asked to produce the company's title establishing its claim to work the phosphates the Company had refused. Hughes was asked to sort out the mess and to insist on the Australian Administrator of Rabaul as the competent authority for the Island. Hughes referred the issue to the Colonial Secretary. Long pointed out that it was the Governor-General who had formally approved of the Western High Commissioner administering the Island and he was simply carrying out the wishes of the Fisher Government. The British Phosphate Company had secured leases from the Germany Company, Jaluit Gesellschaft and had bought out the share holding of Germans in that company. As the Western High Commission's administration during the War had been 'conspicuously successful', Long remarked rather forcefully, he would 'deprecate a sudden change' especially as it had been inspired by the Fisher Government. Furthermore a sudden change could reflect adversely on the current administration. Also all arrangements were without prejudice to whatever the Peace Conference determined.[2] The Colonial Office minuted that they were 'under pledge to the Pacific Phosphate Company not to give the Island up to Australia without allowing them to be heard first'.[3] Further, they believed the objections of New Zealand should be considered and the wishes of the natives were not be discounted. All this pointed to a solution that envisaged retention by an Imperial Authority.

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[1] Balfour to Hughes, 14 November, 1918; Ibid.

Hughes's undiluted claim to the Island at the British Empire Delegation meeting of 13 March where Milner proposed that the Mandate should be held by Great Britain evinced rejoinders equally pungent. As to Nauru, Green of the Colonial Office, pointed out that Hughes had reversed himself and now he was 'fighting hard' for the Island. He minuted that 'it appears that Mr. Hughes "has returned to his vomit"'.[4] Hughes circulated a Memorandum a week later within the British Empire Delegation which demonstrated to the Dominions that his Government expected that the Mandate would fall to Australia. Hughes himself had urged Watt

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[1] Watt to Hughes, being a message from the Department of Defence, 12 December, 1918; C.A.O., CP360/8/1.

[2] Long to Hughes, 9 January, 1919; W.C.P. 373, Hughes Papers, N.L.A., MS1538.

[3] Lambert, Minute, 25 February, 1919; C.O. 532/135/12876.

[4] Green, Minute, 13 March, 1919; C.O. 532/963/16071. Green was referring to Hughes's lengthy Memorandum of 6th February, W.C.P., 71, in which he stated that as regards Nauru he would accept 'any form of Mandate acceptable to the British Government'.

to send such a cable when he had reported Milner's proposal to Watt. He continued to employ this tactic on this particular issue of Nauru, more so than on the general mandate question. His reports to Watt contain similar requests, whenever, it would seem, he felt his case needed such moral support.[1] Keith Murdoch ran an article in the Melbourne Herald to help matters along. However, he noted that Hughes's case that Australia '"wrested the island from the enemy"' had not impressed Massey who affirmed that in reality this was a reference to 'the landing of a whaleboat from the cruiser "Melbourne"'. Murdoch concluded with the hope that 'joint representation' would be agreed upon by Hughes and Massey.[2]

By the end of the month Hughes formally proposed to Lloyd George that the three parties agree to an equitable distribution of the output of the Island between them. He continued to press for the acquisition of the Pacific Phosphate Company's title:

> That all proprietary rights in the island should be vested in the Commonwealth - the right and title of the Pacific Phosphate Company (if it has a title) being acquired at a fair price. That price to have a basic relation to the capital of the Company.

In a following letter of explanation he pointed out that Milner had agreed that the mandatory Power, whoever it was, would acquire the above rights.[3] Although Milner agreed with Hughes on this point, a month later he wrote to Lloyd George in the strongest possible terms urging that Great Britain should be the mandatory Power. Then, suitable arrangements could be agreed upon with respect to the phosphates. However, Britain's agricultural interests demanded a real voice in the control of the Island. Moreover with Britain in control she would be in the best position to supervise and see that 'fair play as between Australia and New Zealand who would other-wise certainly quarrel over it' was maintained. He deplored Hughes's latest proposal which was contrary to previous verbal agreements. Hughes had reneged and was attempting to 'jump a claim for Australia. This should not be allowed'. A glance at the map of the Pacific would convince anyone of the 'absurdity of the Australian claims', Milner concluded.[1]

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[1] Hughes, Memorandum, W.C.P., 345, B.E.D., 'The Control of Nauru', 21 March, 1919; Hughes to Watt, 12 March , 1919; C.A.O., CP360/8/4, and Watt to Hughes, 19 March, 1919, Ibid.

[2] The Melbourne Herald, 17 March, 1919; C.A.O., CRS A2219, vol.VI.

[3] Hughes to Lloyd George, 24, 27 March, 1919; Lloyd George Papers, House of Lords Record Office, MS F/28/3/19,20.

Even Watt felt he could not press the claim as hard as Hughes would have wished. He pointed out to the Prime Minister that the Australian claim to the German Islands was originally based on security - an impregnable argument. He was prepared to send yet another cable if it was necessary but pointed out that he could scarcely lay such a claim concerning Nauru. The next day Hughes pointed out the legitimacy of his proposal:

> Please send me very strong telegram point out that we shall lose heavily on all other islands, that we have spent hundreds millions on war, etc., that we must have phosphates, that it would be most unfair to take only island from us where revenue exceeds expenditure and leave us saddled with huge debt and great responsibilities of other non-paying islands. Very Urgent.[2]

Watt saw the point. On 1 May he was able to cable that the British authorities at Nauru apparently were treating the Island as though it were to pass to Colonial Office rule administered by the British High Commissioner for the Pacific. As Treasurer in the Government Watt demonstrated with great force the poor position facing Australia in the post-War period. Even the small gain that would be netted from the operations at Nauru would help apart from the advantages of a cheap supply of phosphate for the rural sector of the economy:

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[1] Milner to Lloyd George, telegram, 22 April, 1919; Lloyd George Papers, House of Lords Record Office, MS F/39/1/14 and F.O. 800/216/121.

[2] Watt to Hughes, 28 April, and Hughes to Watt, 29 April, 1919; C.A.O., CP360/8/4.

> Unless we rapidly increase in numbers and in production, the National Treasury will be unable to stand the strain now resting upon it. Australia's total public debt today is greater by scores of millions than Britain's was five years ago. Think of five million people carrying an unproductive war debt of 300,000,000 pounds.[1]

Hughes passed on the text of the above cable to Milner to reinforce his case.[2] Milner stuck to his view despite this most forceful argument by Watt and Hughes.[3] Milner was reinforced by Massey who was himself an Auckland farmer and thus deeply aware of the value of the Island's product.

The following day the Big Four announced that Nauru had been provisionally awarded to the British Empire who were to sort out the domestic administrative arrangements between themselves. Hughes, we might recall, informed Watt of his intention of carrying the issue to the extreme by refusing to sign the Treaty, and refusing to accept the Mandate for the other Islands. He requested Watt's agreement. Watt counselled moderation. Australia could hardly take up such an attitude over Nauru for it would be labelled as sheer selfishness 'grabbing at a valuable asset'. The Cabinet's view was that it was better to sign the Treaty and afterwards negotiate to compel Britain to accede to our view or make suitable equivalent arrangements of a financial kind'.[1] Hughes did sign the Treaty and in fact bombarded Milner and Lloyd George with a flood of memoranda and messages supporting his case but he felt hampered by the lack of full support by his Cabinet. By 4 June the question had been settled, not to his satisfaction, but as he consoled himself, 'it might be worse':

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[1] Watt to Hughes, 1 May, 1919; C.A.O., CP360/8/4.

[2] Hughes to Milner, 3 May, 1919; Lloyd George Papers, House of Lords Record Office, MS F/28/3/34.

[3] Ibid., 6 May, item 17.

> In face of your telegram I could of course not follow the only course that would have given us full control of Nauru and its phosphates. I am quite sure I should have succeeded had Cabinet supported me. As it did not, I have been perforce compelled to make best of a bad job.[2]

When one considers that Australia could have been very much worse off, Hughes was far too severe on his own endeavours. He had something to show for his efforts. The British Pacific Phosphates Company was to be bought out by the three Powers. Three commissioners from each of the Powers were to supervise the working of the phosphate deposits and its marketing and pricing. Sales to other Powers required the agreement of all. Civil administration in the first five years was to be provided by Australia.[3] Cabinet approved of the arrangements and wired to Hughes that 'in the circumstances you have done mighty well'.[4]

III Reparations.

One of the first steps of the Peace Conference was to appoint a Commission on the Reparation of Damage which was proposed by Lloyd George on 22 January at the Council of

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[1] Watt to Hughes, 9 May, C.A.O., CP 360/8/4.

[2] Hughes to Watt, 4 June, 1919; C.A.O., CP 360/8/4.

[3] *Ibid*.

[4] Watt to Hughes, 14 June, 1919; *Ibid*.

Ten.[1] In his proposal the British Prime Minister considered that the brief of this Commission should be 'to examine and report on the question of the amount of the sum for reparation and indemnity which the enemy countries should pay or are capable of paying, and the form in which payment should be made'. Immediately Wilson, as expected, proposed the exclusion of the term indemnity on the grounds that world opinion had disapproved of indemnities, and that reparations would be 'sufficiently inclusive'. On the understanding that reparations was taken in its widest terms Lloyd George agreed, and this proposal was accepted. A few days later at a plenary meeting of the Conference the commission was formally constituted. The following week, three sub-committees were formed to give effect to Lloyd George's original resolution. The British Empire delegation consisted of Hughes, Cunliffe, and Lord Summer, whom Garran described as 'probably the greatest commercial lawyer in England'.[2] It was, he concluded, a good team. Mr. Klotz,[3] the French Finance Minister, was nominated by Hughes as Chairman.[4] He in turn, returning the compliment, and initiating a policy of backing each other up, nominated Hughes as chairman of the third sub-committee which was to enquire into measures of control and guarantees. Once in the chair, Klotz announced that the Commission would be best served by coming to an agreement on the principles of reparation and damage. He had prepared a summary which he proposed 'might serve as a basis for study and discussion',[1] and which laid claim to the full re-establishment of 'the conditions which would have existed if the circumstances *(the War)* giving rise to that obligation' had not occurred. Further, Klotz believed that there were categories of claims, some having a privileged position, and before these privileged claims could be met, 'there must be reserved the right of an owner to recover property wrongfully removed *(l'action en revendication)*. This was but natural justice and common law,[2] he concluded.

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[1] Council of Ten, Minutes, 22 January, 1919; U.S. Foreign Relations, P.P.C., vol.III, p.682.

[2] Garran, Diary, 9 February, 1919; Garran Papers, N.L.A., MS2001/7/259.

[3] P.M. Burnett cites Clemenceau's comment on Klotz: 'The only Jew I ever knew who knows nothing about finance', in his Reparation at the Paris Peace Conference, (New York, 1940), vol.I, p.24.

[4] Minutes of the Plenary Commission, Election of Officers, 3 February, 1919; cited in P.M. Burnett, Ibid., Document 451. Minutes of the Reparation Commission are also to be found in A.G. Lapradelle, La Documentation Internationale: La Paix de Versailles, (Paris, 1929-32) vol. IV.

It was not till the tenth that the Commission got down to real business when Hughes, as it turned out, opened the debate by presenting a general statement on the British position rather than entering into a detailed discussion of the text of the British memorandum or to criticise those presented by the other delegations.[3] Apologizing for not having even read the American Paper, it having been just handed to him, Hughes at some length dispassionately stated the case that had been delineated at the sessions of the British Committee on Indemnity and the subsequent Imperial War Cabinet. He stood firmly on the principle that 'the whole expenditure involved should be charged upon the enemy nations to the full extent of their capacity pay'. There was, he believed, no 'logical distinction between the 'claim for restoration of ravaged territories and a claim for general compensation'. Thus Britain's national debt which had been increased by over six billions was a legitimate claim as was the Australian liability where a debt of some three hundred million had been incurred. This was a 'crushing burden' for five million people. And this was 'true, mutatis mutandis, of the other Dominions and peoples of the British Empire.'[1]

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[1] Klotz, Ibid., the summary is annexed to Document 451.

[2] Klotz cited the German Civil Code, Articles 823 and 249 to support this case; Ibid.

[3] Plenary Commission: Minutes of the Fourth Meeting, 10.30am, 10 February, 1919; cited in Burnett, Reparation at the P.P.C., Document 454; the only other Papers were from the United States, Italy, Poland, and Serbia.

After digesting the American Paper, Hughes confided his fears to Watt:

> It is only too obvious now that, on this point, *(War costs)* as upon all others that I emphasised in November last, Allies, when they accepted Wilson's 14 points when granting armistice to Germany, tied a millstone round our necks. At every step in Peace negotiations, these accursed fourteen points meet us and bar our way.[2]

At the next Meeting, a few days later, M. Klotz quickly moved to scotch any press campaign apart from the approved releases to the news bureaux. Already he noted, unofficial versions of the first meeting had appeared. Hughes, apparently accepting responsibility, assured the chairman that 'no such incident would occur again'.[3]

John Foster Dulles, in presenting the American case, insisted that the Lansing Note of 5 November, 1918, constituted a contract which limited the claims for full reparation: 'The terms of peace consented to by Germany constituted a binding contract'. Thus no matter how much it was considered that the reparation 'stipulated in November fell short of what was due, we could make no change today'. Moreover he did not believe that Germany could be held liable for unjust or cruel acts just to establish the right to reparation. She could only be held for'illegal' or 'contractual' reparation. The Allies' claim for 'tortuous' or 'natural liability' was completely unfounded.[1] Lord Sumner, replying for the British, cited precedents to establish that under international law the victor could demand from the vanquished the full costs of the War, nor was there any precedent which denied this right. Anyway, Wilson's Fourteen Points should best be regarded as defining rather than limiting the basis for discussion. Dulles was ready for this argument. He was able to reply, effectively, that the precedents quoted did not derive from a general principle but each case arose from a specific contract. It was left to Hughes to confute the American.

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[1] Hughes, Speech, Ibid., Document 110 which contains the full speech, a summary of which is incorporated in the Minutes.

[2] Hughes to Watt, 10 February, 1919; C.A.O., CP360/8/3.

[3] Plenary Commission, Minutes, 10.30a.m., 13 February, 1919; cited in Burnett, Reparations at the P.P.C., Document 455.

The next day, Hughes decided to meet Dulles on his own ground and join battle. Dulles had accepted that Belgium,whose neutrality had been clearly violated by a breach of international law, was legally able to claim full reparations. Latching on to this, Hughes demonstrated that Belgium's neutrality, could only be guaranteed by Powers who had formally bound themselves to her and 'incurred fearful losses' to defend her integrity. Whatever rights Belgium possessed under international law by reason of her neutrality, were 'clearly shared by those Powers who guaranteed her neutrality' and this would extend to all who had become associated with her. Turning from this narrow legal argument Hughes contended, on general grounds, that the 'cost of an unjust war should be borne by the aggressors'. His legal case was sound but perhaps he felt safer on this more general ground of natural justice which he related to the President's own speeches and upon which the Fourteen Points had been based - 'the rule of law' and an'impartial justice'. To saddle 'the defenders of the world's liberties' with the burden of the war debt was not just, it would be in fact, a 'monstrous injustice'.[1]

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[1] Dulles, Speech, 13 February, 1919, Ibid; the full text is to be found in Document 113.

Even Eggleston was impressed by Hughes's performance, noting that he was 'pursuing the indemnity question very hard', and that he was 'scintillating'. However, he attributed the excellence of the legal arguments which he reckoned were a 'legal tour de force', to the brain of Garran who must have worked out his arguments, he alleged. Eggleston firmly believed that Garran was 'making a great name for Hughes at the Conference'.[2] Once again Eggleston allowed his venom to get the better of him. Although there is plenty of evidence in the Garran Papers to demonstrate how helpful was Hughes's secretary on this Reparation Commission, there is also abundant evidence to demonstrate that Hughes's speeches were the characteristic arguments which the Prime Minister had been enunciating for months.[3] What really upset Eggleston, as he admitted, was that he had little work to do and whatever he produced in the way of memoranda was not utilised. As he wrote years later, being a Wilsonian, he was 'entirely out of touch with the spirit Hughes expressed and which he wanted his staff to pursue'.[4]

Hughes was most concerned at the evident trend against a claim for war costs and wrote to Hankey seeking instructions. This debate, he explained, had developed into a contest between Britain and the United States who affirmed that war costs were excluded by virtue of the acceptance of Wilson's 'Fourteen Points'. It was clear they would stand firm on this. Under this pressure, Hughes went on, the European Powers which stood to gain most from any level of reparations had shown signs of wilting, for it was obvious that it would be better to give up the claim for war costs, given Germany could not pay this anyway, and accept what she could pay, and so be assured of something. Thus principle had given way to expediency. Accepting the above, Hughes concluded, then the issue became the question of priorities. Sumner and Cunliffe accepted this principle but Hughes did not, though in debate at the Commission he was prepared to hint that of course, 'certain claims might be given priority without committing oneself definitely.' Lloyd George to whom his request had really been addressed replied via his secretary, Kerr, in the affirmative. It was important support for Hughes, in view of subsequent somersaults on the vexed issue some weeks later:

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[1] Hughes, Speech, Commission of Reparation, 14 February, 1919; cited in Bernard Baruch, The Making of the Reparations and Economic Settlement of the Treaty, (New York, 1922), pp.298-315.

[2] Eggleston, Diary, 14 February, 1919; Eggleston Papers, N.L.A., MS 423/6.

[3] See Garran Papers, C.A.O., CP351/1 for his files on Reparations; Garran was appointed Hughes's secretary for the Commission at a plenary session in January.

[4] Eggleston, Diary, 15 February, 1919; see also memorandum, 'The Reparations Commission', 1945, San Francisco where he was a delegate at the United Nations Organization, Eggleston Papers, N.L.A., MS423/6/39-42.

> The P.M. agrees with Mr. Hughes's views and hopes that the British representatives will not give way. If reparation in the narrower sense is to come first there may be nothing left with which to pay indemnity. The British representatives ought to stand firm resolutely.
>
> (a) for the cost of the war
> (b) for pari passu payment.
> He asked me to give these instructions to the delegates.[1]

Dulles on the nineteenth presented a most formidable rebuttal of the cases put forward by Loucheur for France and Hughes for the British. Dulles, while prepared to concede, by legal extension, the rights of compensation to Great Britain by virtue of her treaty obligations denied such an extension to France. The Anglo-Belgian Treaty, a 'beneficiary contract', was one from which, in law, only Belgium could benefit, and even if one extended the benefits to Britain, in no way could they include France and other Allies. Taking up one of Hughes's favourate devices of homespun analogies from 'the court of Petty Sessions' Dulles agreed that Britain and France had acted as policemen to prevent a breach of the law, but the court would award reparation, damages, to the victim, not to the guardian of the law. In conclusion[1] he believed all the arguments to date boiled down to an examination of the 'proceedings of 5 November and the Government's statement of the Associated Powers that they were willing to make peace with Germany on certain terms'. The fundamental question was to what extent the Allies had limited their rights with respect to the re-imbursement of war costs by the pre-armistice agreement of 5 November. He asked that this question be referred to the Supreme War Council. Despite Hughes's attempt to prevent this, it was agreed to accept Dulles's proposal.[2]

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[1] Hughes to Hankey, 15 February, 1919; Kerr to Hankey, incorporating Lloyd George's reply, 16 February, 1919; Lloyd George's Papers, House of Lords Record Office, MS F/89/2/18.

Both Dulles's and Hughes's outlines demonstrated the fact that the best of analogies eventually break down. Hughes could easily answer Dulles's last sally on the Allies as the policemen of Europe by pointing out that policemen injured in the course of duty are paid compensation. Hughes's own device could be taken to ridiculous lengths and turned against him as Thomas Lamont, an American official demonstrated:

> If a little shepherd in Australia,...because of war conditions had been obliged to mortgage his home and eventually lose it, he had been deprived of his property by German aggression and was as much entitled to compensation as the dispossessed of Belgium and northern France....[3]

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[1] Dulles, speech, 19 February, 1919; the full text is in Baruch, The Making of the Reparation Sections of the Treaty, pp.323,337.

[2] Plenary Commission, Minutes, 19 February, 1919; cited in Burnett, Reparation at the P.P.C., Document 459. Hughes was allowed to submit a written reply to this speech; Ibid., Document 128.

[3] Cited in E.M. House and C. Seymour, What Really Happened at Paris: The Story of the Peace Conference, 1918-1919, (London, 1921), p.269.

The Reparations question was destined to be settled quite apart from the commission on which Hughes was engaged as a representative of the British Empire. The deadlock in the commission was to be resolved by larger forces. Lord Sumner noted this development in a private explanation of trends to his friend Sir Ian Malcolm, the Conservative M.P. It appeared that in view of the deadlock the Americans would threaten to 'go straight home' but he believed this to be pure 'bluff'.[1] Hankey informed his Prime Minister that the wide divergence of figures filled him with dismay and he could not see how matters were to be reconciled. Sumner's committee, he noted, privately had mentioned twenty-five billion pounds sterling and Cunliffe had verified this. It would appear that the figure was 'not calculated on any particularly scientific basis but one drawn rather by that peculiar instinct on which, I am told, high financial authorities in the City often work'. The Treasury and the Americans though had estimated as low as four billion pounds sterling.[2] Montagu, as always, was ready at hand at crucial moments to provide advice. He noted that the Prime Minister had summoned Hughes, Cunliffe and Sumner, to London with respect to the 'situation here in Paris'. He too, could not see a way out of the deadlock. It would appear that the work of the sub-committees was likely to be a 'work of supererogation, likely to lead to no practical results, likely to take much too long and, likely to lead to unnecessary international disputes'. He believed the best way out was to assess the amount which Germany could pay and then apportion out the 'available booty among those entitled to share in proporation either to their war effort or financial position' or on some agreed formula.[3]

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[1] Sumner to Malcolm, 20 February, 1919; Balfour Papers, F.O.800/215/250-3.

[2] Hankey to Lloyd George, 21 February, 1919; Lloyd George Papers, House of Lords Record Office, MS F23/4/19.

[3] Montagu to Lloyd George, 24 February, 1919; Lloyd George Papers, House of Lords Record Office, MS F/40/2/28.

Hughes hastily informed Watt that he had been called to urgent consultations with Lloyd George in London. As a result of the deadlock on Reparations he predicted 'great trouble ahead.'[1] At the plenary commission meeting the same day, it was resolved that Dulles's submission should be referred to the President of the Peace Conference rather than the Supreme War Council. By this resolution, the question of Reparations effectively was taken out of the hands of the Reparations Commission.[2] Dulles himself had been strengthened in his position by the American President who cabled Lansing from the 'George Washington':

> I feel that we are bound in honor to decline to agree to the inclusion of war costs in the reparation demanded. The time to think of this was before the conditions of peace were communicated to the enemy originally. We should dissent and dissent publicly if necessary not on the ground of the intrinsic justice of it but on the ground that it is clearly inconsistent with what we deliberately led the enemy to expect and cannot now honourably alter simply because we have the power.[3]

Whatever actually happened at the urgent consultation between Lloyd George and the British Empire representatives, it was clear from Kerr's remarks to Lloyd George a few days later, that the grim realities of the 'percentages' would decide the issue and thus 'war costs' would go to the wall:

> What really matters to us is getting our fair share of whatever Germany is made to pay which we shall probably only do by getting America either to cancel the Allied debts or to give us very special credit facilities for purposes of reconstruction at home and the development of the Empire abroad. The immediate active financial assistance of America is probably worth more to us than

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[1] Hughes to Watt, 24 February, 1919; C.A.O., CP360/8/3.

[2] Plenary Commission, Minutes, 24 February, 1919; cited in Burnett, Reparation at the P.P.C., Document 460.

[3] President Wilson to Secretary of State, cable, 24 February, 1919; cited in Burnett, Reparation at the P.P.C., pp. 163-4.

> a few more millions added to the bill to be eventually paid by Germany.[1]

It would appear that Lloyd George was anxious above all to hear from Sumner on the progress of his Committee which was charged with the task of estimating the total value of the damages.[2] Hughes by the way, had been careful to provide Sumner with the Australian case for war costs, amounting to 454,000,000 pounds, including 100,000,000 pounds for pensions.[3]

When the Commission on Reparations re-convened on 3 March, Klotz informed its members that the request for a ruling had been deferred on the motion of Colonel House, till the return of President Wilson. The Commission was asked to prepare 'a two-fold report: first on the assumption that war costs might be included, and secondly on the assumption that they ought to be excluded'. As could be anticipated Hughes rejected this solution as 'impracticable'. He argued that 'one of the two views must be right' and the commission could not follow both simultaneously. He pointed out that if no ruling from the competent authority could be obtained, the commission should answer the question itself. The British Delegation, he explained, was not demanding:

> unlimited reparation, but only the actual costs and damage occasioned by the war...His instructions from the British Government did not allow him, without reference to it, to agree to the preparation of alternative statements of claims against Germany one of which would exclude war costs.[4]

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[1] Kerr to Lloyd George, 28 February, 1919; Lloyd George Papers, House of Lords Record Office, MS F/89/2/35.

[2] Lloyd George, Truth about the Peace Treaties, p.490-95.

[3] 'Estimated Ultimate Amount of War Expenditure of Australia', Memorandum for Lord Sumner from W.A. Watt, 26 February, 1919; Hughes Papers, N.L.A., MS1538.

[4] Plenary Commission, Minutes, 3 March, 1919; cited in Burnett, Reparation at the P.P.C., pp.341-5.

However, as Latham noted a few years after the Peace Conference the commissions were not the critical area in the vital decisions with respect to Reparation.[1] Of more importance was the informal conference on 7 March between House, Clemenceau, and Lloyd George, when discussions were begun on the fundamental issue that:

> Germany's reparation obligations were to be determined in accordance with a fair construction of the Allies' pre-armistice declaration and that such construction excluded imposing upon Germany the "costs of the war", but was limited to what may be called actual damage.[2]

Just when these conversations reached a final decision has never been really clear. Burnett believes that:

> As far as the chronology is concerned, these forces should almost certainly be regarded as having acted over a period rather than sharply at a given time. We do not know just when it first began to be taken for granted that war costs would be left out of the Treaty. There seems never to have been a formal decision....

Still, Burnett concludes that by the second week in March it was clear pressure from the Allied delegations to include full war costs in the Treaty had been exhausted.[3] Hughes had failed in his object. The 'play of percentages' leading to compromises all round had beaten him. The French, through Klotz, had pointed out at the plenary commission session on 3 March that:

> ...the French delegation had never maintained the principle of unlimited reparation, but only the unlimited right to reparation of damage, reserving always the possibility of not proceeding in the

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[1] Latham to Clement Jones, 31 January, 1921; Latham Papers, N.L.A., MS1009/22/149-52.

[2] Baruch The Making of the Reparation and the Economic Sections of the Treaty, p.26; House to Wilson, 7 March, 1919, cited in Burnett, Reparation at P.P.C., Document 165.

[3] Ibid., pp.27-8.

> application of this principle to the utmost extent of the right.[1]

The Americans themselves had prepared a formula that would satisfy all parties. Dulles as early as 21 February had drafted a memorandum that recognized theoretical responsibility for war costs but also allowed for practical limitations:

> Certain of the governments at war with Germany, believing that it is just and well within the contemplation of the principles agreed to... that the German Government shall...make reparation for the entire cost of the war...the Government of Germany recognizes its liability in the premises. It is agreed, however, that the ability of the German Government and nation to make reparation is limited...and accordingly the Governments at war with Germany renounce the right to insist upon reparation other than is expressly specified for herein.[2]

These concepts ultimately were embodied in the so-called 'war guilt' clause, Article 23], and in Article 232, both basic clauses in the Treaty. British acquiescence was gained apparently at the price of the French and Belgians giving up their formula for 'priority claims'. Lloyd George at the informal Conversation on 7 March had made it clear that he could not hope to 'sustain himself with his people' if on the principle of priority the great bulk of what Germany could pay went to France and Belgium. He suggested two basic categories: reparation and war costs and that Britain should be included in both categories on an agreed formula.[3]

At the British Empire Delegation session on 13 March, in answer to questioning by Hughes, Lloyd George outlined the results of his haggling with the Americans and the French. The British Prime Minister pointed out that if the French and

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1. Ibid.

2. Ibid., Dulles, Memorandum, 21 February, 1919; cited in Burnett, Reparation at P.P.C., p.640; and chapter IX, 'The Origin of the "War Guilt" Clause, pp.66-70.

3. House to Wilson, cable, 7 March, 1919; Ibid., Document 165.

Belgian claim to priority on the question of damages had been accepted, given Germany's capacity to pay, he did not give 'the British claim much hope'.[1] After some days of hard bargaining over percentages the suggestion was a ratio of 3:2:1 for France, the British Empire and Belgium respectively, a ratio which he believed was fair and which would return a higher gross amount than if full war costs had been pursued. As for the Americans, Colonel House had led him to believe that 'if the exaction could be framed so as to exclude the cost of the war the United States would stand aside' on their outstanding differences: categories, priority claims and military pensions. Britain's greatest problem, Lloyd George reminded them, was the shortgage of ready funds rather than funds in twenty or thirty years time. The acceptance of these principles, Lloyd George urged, would represent a significant break-through on the vexed Reparation question.

Hughes though, also alert to the 'play of percentages', realised that to waive War costs was to place the Dominions and Australia in particular in the position of receiving little, if anything at all. Thus he disagreed with the British Prime Minister's case and said as much. He continued to argue that it was the Allies who would feel the strain, politically, and economically, if full costs were not claimed.[2] Earlier in the week in collaboration with M., Clemental, the French Colonial Minister, at a dinner in Paris given by the Federation of British Industries, he had based his remarks on this theme. Britain and France, he argued, should insist on Germany 'paying all she owed',[3] which was but another way of claiming full war costs. At one of the last plenary sessions of the Commission on Reparation in mid-March, just before the sub-committees were due to report, Hughes spoke out strongly against 'priority claims'; pleading that it was premature to settle the share of the booty before Germany's capacity to pay and the total claim by the Allies had been determined. He recognized that this was a touchy issue that could set the Allies squabbling amongst each other. Although he accepted that certain claims of the Belgians and French must have first preference he still held to the view that, for example, Australian 'mercantile marine' played a part in the Commonwealth's 'economic life as important as do the industries of northern departments of France'. Dominion rights to reparation for the 'enormous damage' sustained by their shipping were 'strictly parallel with French and Belgian rights'.[1] Having pressed this point, Hughes now found that his colleagues, Sumner and Cunliffe, had agreed to accept the principle of priority claims. In a private note to Hughes, they stated that they did not believe that any instruction which they had received from Cabinet prevented the acceptance of 'priority claims'. They argued that at this point failure to take a distinct line favourable to these claims would 'do us considerable harm'.[2]

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[1] B.E.D.,13 Minutes, 13 March, 1919; Garran Papers, C.A.O., CP351/1. B/4.

[2] *Ibid*.

[3] *The Times*, 12 March, 1919.

Hughes then, found himself more and more isolated on the question of War costs and priorities as the moderating forces grew in strength and urgency. As for his own committee of which he was chairman, it was floundering in its task. At the two meetings in mid-March, Hughes argued that the Committee's brief was such that it could not make any further progress until it received the reports of the first and second Sub-Committees. He argued that the nature of the guarantees 'obviously depended on the question of the amount

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1. Hughes, typescript address for Commission on Reparations, n.d., but 13 March, 1919; Hughes Papers, N.L.A., see also Miller, My Diary, vol.XIX, p.272 and S.P. Tillman, Anglo-American Relations at the Peace Conference, (Princeton, 1961), pp.236-7.

2. Sumner to Hughes, private n.d., but mid-March, 1919; Hughes Papers, N.L.A., MS1538.

of which the enemy powers were able to pay and the amount demanded of them'.[1] Miller, the American legal expert, was not impressed with this approach. In his own summary, he noted that Hughes's Committee 'professed itself unable to prepare a definitive Report',[2] but he does admit that a provisional Report was supplied which advocated a Commission to oversee the payment of Reparations. Miller's stricture seems a little out of place in view of the indecisiveness over the whole question of Reparations. Hughes's final letter was in fact a measure of his disgust with the way the question had been handled and with the result, a disgust he communicated to Munro Ferguson:

> The Americans are standing pat against the inclusion of the cost of the war. The Heaven-born's fourteen points - the terms of peace accepted on November 5 - exclude the cost of the war. We have had many meetings, we have talked and talked, but so far there is, as those from God's own country say: "Nothing Doing". We had two long Imperial Cabinets this week about it. The French want priority and if the cost of the war is not included, or even if it is, and they are to get paid for all damage before we get anything, then as their claim and that of Belgium amounts to say six thousand millions we shall get nothing!....If we get a substantial Indemnity I shall be delighted and shall probably die of heart failure from the shock. More probably I shall not be subjected to this trial.[3]

At Lloyd George's request the three British representatives were asked to present a report indicating as far as possible specific figures in a concrete proposal that could be put to the French and the Americans. When Hughes handed it to Lloyd George he called it 'Lord Sumner's memo'.[1] while the British Prime Minister has referred to it throughout his comments in his Memoirs as the 'Hughes Memorandum' although he recognized its multiple authorship.[2] He was not, he concluded, 'satisfied with the Hughes Memorandum' as its figures were set too high and, as it admitted, the whole structure of the rate and amount of repayments were 'based on hope and assumption'. The Memorandum proposed that Germany should pay one billion pounds sterling down within the next two years, something on which all proposals at the time had been unanimous. Then, Germany should pay some 600,000,000 pounds sterling annually for thirty-five years, which, capitalized was a sum of ten billion pounds. Lloyd George noted that Hughes suggested that the bonds, which were the means of payment, should be widely distributed so as to prevent an easy repudiation by the Germans. The Memorandum judged that available statistical evidence was irrevelant and indeed useless, as the authors assumed that Germany's capacity to pay would increase in the post-War period:

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[1] Hughes to General Secretariat of the British Delegation, n.d., Annex II of Third Sub-Committee Minutes, 2 May; see also Minutes, 11, 13 May, 1919; cited in Burnett, Reparation at P.P.C., Documents 547, 545-6.

[2] Miller, My Diary, vol.XIX, p.273.

[3] Hughes to Munro Ferguson, 15 March, 1919; Novar Papers, N.L.A., MS696/2772.

> If Germany makes money, the paper will be worth money in time; the one thing that we find it impossible to believe is that the Germans, as hitherto known, will not manage to make money somehow. If that is accepted, the real problem is to make them make money for us....It will thus be seen that, as regards the future, our opinion is mere opinion, though we believe it is sound.[3]

That Hughes had had a hand in its formulation was clear from the above argument and expression and from the case that was employed to counter Lloyd George's well known fear that German exports would lead to British unemployment:

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[1] Hughes to Prime Minister, 14, 17 March, 1919; Lloyd George Papers, House of Lords Record Office, MS F/28/3/10 and F/213/5/5.

[2] Lloyd George, Truth about the Peace Treaties, pp.502-05; the following is based on this section.

[3] 'Hughes' Memorandum, 17 March, 1919; Ibid., p.504.

> "Payment of our claims in exports may seem to displace our internal manufactures and payment of very large claims seems to postulate a very large increase of German exports. Still, Germany can make no substantial payment without exporting something which might have been produced in England; the choice lies between giving some manufacturers a grievance, which is inevitable, and leaving all the taxpayers, the commerce, and the finance of the country to bear, unaided, the present load of debt if it can".[1]

Lloyd George's reaction was to turn to Keynes for his estimate, which was provided a few days later. It is appropriate to recall Seymour's observation with respect to Lloyd George's choices of advisers on Reparations:

> When he meant to do business he brought along Montagu and Keynes; when he was going to hedge he brought in Sumner and Cunliffe.[2]

Keynes halved the Hughes figure, estimating a capitalized amount of four to six billions depending on the rates of interest; he proposed annual repayments over forty years, rising from a mere 50,000,000 pounds sterling to some 400,000,000 pounds sterling.[3] One should note that Keynes considered that the acquisition of German shipping, treasure, foreign securities, property and businesses, and concessions, held by her and her nationals, together with Alsace-Lorraine and the Colonies, were an essential part of Reparation. The Hughes Memorandum had not specified these as they were not in dispute.

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[1] Ibid.; Philip Kerr, Lloyd George's influential secretary, minuted that 'the conditions of this problem are stringent; the notes are scanty; the conclusions can only be a matter of forecast and of opinion'. He counselled against letting off the Germans too lightly; Lloyd George Papers, House of Lords Record Office, MS F/213/2/1.

[2] Charles Seymour, Letters From the Paris Peace Conference, p.276.

[3] Keynes, Memorandum, 22 March, 1919; cited in Ibid., pp.504-7.

During this week of deadlock Hughes had been approached by the London Daily Telegraph for an interview on the Reparation question, which he gave, and which the newspaper wished to publish. By now, Hughes was well aware of the ructions that could arise if a press campaign suddenly arose at this juncture. He sought Lloyd George's permission to publish pointing out that nothing was to be published before all concerned had seen a typed draft which would be submitted to Lloyd George for his approval.[1] The British Prime Minister was unimpressed by these tactics, pointing out that if a 'Vice-Chairman of a very important Commission' published, then he did not see how it would be possible to prevent any member of every Commission also giving interviews to the Press on the work of the Commission'. He did not even bother to read the report of the interview and left Hughes to exercise his own judgement on the matter and as to the course he would pursue.[2] It was a distinct rebuff which on top of all the other frustrations caused him to vent his feelings to Watt:

> I am so heartily sick of everything here that I long to return. I feel, however, until matters vitally affecting Australia, such as mandates, indemnities, economic freedom and our precise position under League of Nations scheme are settled, I must not do so.[3]

On this question of 'leakages' to the press Hughes's very proper request had come at an inopportune moment, for, as Hankey recorded, both he and Lloyd George were constantly impeded in their work by having to correct garbled reports which embarrassed delegates and injected 'grit into the machinery'. It was, he noted, one of the reasons for taking the real work of the Conference from the Commissions and the Council of Ten and replacing them with the Council of Four.[1]

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[1] Hughes to Kerr, 18 March, 1919; Lloyd George Papers, House of Lords Record Office, MS F/28/3/11.

[2] Kerr to Hughes, n.d., Ibid., item 12.

[3] Hughes to Watt, 21 March, 1919; C.A.O., CP/360/8/3.

It is little wonder therefore that Lloyd George, with a select retinue, retired to the quiet of Fontainbleu to sort out the problems facing them. Hankey, Kerr, Smuts, Cunliffe, Keynes, and General Sir Henry Wilson, Chief of the Imperial Staff, were his confidants for this historic weekend which is generally recognized as a turning point in the Conference.[2]

From here, the action moved to the Big Four and to the series of conversations held in the following weeks. It was there that the compromise solution on Reparations was thrashed out,[3] with respect to war costs, priorities, and the inclusion of separation allowances and pensions as damages to the civilian population. This latter item greatly enlarged the expected estimated return to Great Britain and indeed guaranteed the Dominions a share in the Reparations settlement.[4] Oddly enough it was Smuts, a Keynesian on this issue, who was 'responsible' for the inclusion of pensions.

After the Fontainbleu Conference Smuts privately appealed to Lloyd George to exercise the generosity towards Germany that had been accorded to the Boers at the conclusion of the Boer War, at Veereeniging.[5] Lloyd George was so taken by Smuts's plea that he used it in the Council of Four the next day.[6] It failed to convince Clemenceau. What did impress him was Smuts's formal proposal to include pensions. Once Lloyd George accepted the French view that there should be no fixed sum in the Treaty,[1] the major hurdles were over, with respect to Reparations. Even though Sumner[2] had proposed the inclusion of pensions in Reparations, on much the same lines as Smuts's famous Memorandum,[3] President Wilson rejected Sumner's proposal but accepted Smuts's Memorandum. The particular importance of this Memorandum, as Lloyd George noted[4], was that it convinced Wilson who regarded Smuts as a kindred spirit, a man of moderation, an advocate of the League of Nations. Hancock points out[5] that Smuts hastily wrote it out in a single night on the eve of his departure to Budapest. The final paragraph is the critical one, and as it is this clause on pensions that enabled the Dominions to share in the Reparation settlement it is appropriate to quote it:

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[1] Hankey, Diary, cited in Roskill, Man of Secrets, vol.II, pp.70-74.

[2] Lloyd George, Truth about the Peace Treaties, pp.404-16; H.I. Nelson, Land and Power: British and Allied Policy on Germany's Frontiers, (London, 1963) pp.224-7. Hancock, Sanguine Years, pp.505-10; Arno Mayer, Politics and Diplomacy of Peacemaking, p.578 ff.

[3] See, Paul Mantoux, Paris Peace Conference, 1919: Proceedings of the Council of Four, March 24- April 18, (Geneva, 1964).

[4] Baruch, The Making of Reparation and economic Sections of the Treaty, p.28.

[5] Smuts to Prime Minister, 26 March, 1919; Lloyd George Papers, House of Lords Record Office, MS F/45/9/29.

[6] Council of Four, Conversation, 27 March, 1919, Mantoux, Council of Four, pp.24-9.

> The plain, commonsense construction of the reservation, therefore, leads to the conclusion that, while direct war expenditure (such as the pay and equipment of soldiers, the cost of rifles, guns and ordnance and all similar expenditure) could perhaps not be recovered from the Germans, yet disablement pensions to discharged soldiers, or pensions to widows and orphans or separation allowances paid to their wives and children during the period of their military service are all items representing compensation to the civilian population for damage sustained by them, for which the

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[1] See Council of Four, Conversation, 28 March, 1919; Mantoux, Council of Four, p.37, ff.

[2] Sumner, Memorandum, 30 March, 1919; cited in Lloyd George, Truth about the Peace Treaties, pp.493-5.

[3] Smuts, 'Note on Reparation', 31 March, 1919; cited in Baruch, The Making of the Reparation and Economic Sections of the Treaty, pp.29-32.

[4] Lloyd George, The Truth about the Peace Treaties, p.496.

[5] Hancock, Sanguine Years, p.523.

> German Government are liable. What was spent by the Allied Governments on the soldier himself, or on the mechanical appliances of war, might perhaps not be recoverable from the German Government under the reservation, as not being in any plain and direct sense damage to the civilian population. But what was or is spent on the citizen before he became a soldier, or after he has ceased to be a soldier, or at any time on his family, represents compensaion for damage done to civilians and must be made good by the German Government under any fair interpretation of the above reservation. This includes all war pensions and separation allowances; which the German Government are liable to make good, in addition to reparation or compensation for all damage done to property of the allied peoples.[1]

The principles enunciated above upon which pensions were accepted as a category of damage to be included as part of Reparations was of a piece with the principle which Hughes had enunciated in his arguments for War costs. Smuts was really arguing that the cost of pensions was a compensation for damage to civilians. This was precisely the line of argument that Hughes had employed in his case for full War costs which was rejected. The principle now, Burnett demonstrates, was to be enshrined in the Treaty.[2]

Lloyd George reported the results of his discussions to the British Empire Delegation on the morning of 11 April.[3] He asked for their approval. Hughes immediately, even at this stage, expressed his profound disappointment at the exclusion of war costs. In answer to this Botha congratulated Lloyd George on his achievement, remarking that he did not expect such a fine result. Lloyd George himself in reply to Hughes pointed out that he believed Wilson would have been prepared to return to the United States if war costs had been insisted upon. He was not prepared to wreck the Conference for the sake of 'something he could not obtain'. To extract War costs from Germany would have required an army of occupation of a million and a half for an indefinite period. 'Would the Dominions be willing', he asked, 'to supply their quota?' He repeated his request for the approval of the Dominions twice more. All the Dominions except Hughes accepted Lloyd George's settlement. Hughes persisted in this view and with that Lloyd George left for a session with the Council of Four.

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[1] Smuts, 'Note on Reparation', 31 March, 1919; cited in Baruch, The Making of the Reparation and Economic Section of the Treaty, pp.31-2.

[2] See Burnett, Reparation at the P.P.C., p.62 who noted this connection.

[3] B.E.D., 19A, 11 April, 1919; Lloyd George Papers, House of Lords Record Office, MS F/28/3/12.

It was left to the rest of the Delegation to attempt to convince Hughes. Even Cunliffe admitted the error of his ways. He now had accepted figures which were less than half those he promoted in December. Now he admitted that those figures were 'a shot in the dark' prepared in haste between 'Saturday and Monday'. Sumner agreed that the figures were a political settlement but it was preferable to none at all. After all it was something in the order of eleven billions over the period of repayments. Hughes now turned his objections to the share which the British Empire was to receive. His main objection was that France would receive fifty to fifty-five per cent, a figure he considered too high and one which would eat into the share of the Dominions. He concluded that it would be best to present the Germans with a bill for the 'whole costs of the war' and then if this failed to share the debt amongst the Allies. He believed the Allies 'had truckled to the United States of America too long in this matter. He did not care two straws what America said or did'. Despite all the members of the Delegation searching for arguments to convince Hughes, their efforts were fruitless. He remained adamant. In the end Bonar Law suggested that Hankey should draft a suitable letter that would be acceptable to Hughes and Lloyd George as a basis for a possible agreement.

Hankey and Hughes stayed behind, and as Hankey recorded in his Diary[1] he spent a considerable time with Hughes in the endeavour to reach an agreement. Hankey noted that the 'trouble *(was)* Hughes...obviously means to reap all the benefit he can from it, and then damn it in public'. The draft of the letter composed by Hankey and Hughes has been attached as 'Appendix A' to the minutes of the British Empire Delegation[2] and it is clear that Hughes used this draft as a basis for his formal reply to Lloyd George the same day. He repeated his objections to the acceptance of the Reparations proposal put to the Dominions the day before but accepted that Lloyd George had done the best that could be expected in the circumstances. However, Hughes felt he should not be required to assent to the proposition. There was no need for unanimity in a resolution emanating from the British Empire Delegation, he elaborated, so that his assent was not essential:

> You and your colleagues of the British Government, and all Dominions Prime Ministers except myself, have approved the proposal for Reparation which you laid before us. You have assured us that you cannot get better terms. I much regret it, and hope even now that some way may be found of securing agreement for demanding Reparation commensurate with the tremendous sacrifices made by the British Empire and her Allies. But if this be indeed impossible, and the proposal as it stands is inserted in the Treaty of Peace, I shall sign it.[3]

Such blatant casuistry, even though probably unintended, was too much for Lloyd George. In a curt note a few days later he succintly put Hughes in his place on this question:

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[1] Hankey, Diary, 12 April, 1919; cited in Roskill, Man of Secrets, vol.II, p.77.

[2] Draft letter addressed to Prime Minister, 11 April, 1919; Appendix A of B.E.D., 19A, Lloyd George Papers, House of Lords Record Office MS F28/3/12.

[3] Hughes to Lloyd George, 11 April, 1919; Ibid., item 26.

> I thank you for your letter. I quite understand your attitude. It is a very well known one. It is generally called "heads I win, and tails you lose" which means that you get the full benefit from the arrangement we have painfully elaborated in compensation and especially in pensions, whereas your comrades in the Dominions, in Great Britain and in France get all the abuse.[1]

Botha added a word of support for Lloyd George, urging him to hold fast against the '"whole-hoggers"' who would in all probability wreck things. To bargain for more would be madness, he argued, for the Americans would certainly withdraw. In these circumstances he believed that:

> Upon our shoulders rests the responsibility of making peace, and if we think that the terms so far drafted are fair and just, we must take the responsibility and face the music, whatever Parliaments or peoples may say. Any other course would, to my mind, spell disaster, nay death, to the British Empire and mean encouragement to the Bolshevist cause; but, more than that, would strain relations between America and Britain to breakingpoint, a state of affairs which would not only be deplorable, but disastrous to the future peace of the world, and create a situation which I shudder to contemplate.[2]

Hughes explained the difficulty of his position to a sympathetic ear, in Watt:

> I was asked to swallow every word I had said about inclusion of cost of war, to agree to asking Germany for far less than the total debt, although amount asked for might be as much as she could pay. In these circumstances I said I ought not to be asked to assent, but said I was prepared to follow practice of all Governments, and abide by will of majority of Colleagues. I would not assent to what I did not believe.

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1. Lloyd George to Hughes, 14 April, 1919; Ibid., item 27.

2. Botha to Lloyd George, 11 April, 1919; Lloyd George Papers, House of Lords Record Office, MS F/5/5/7; Hancock and Poel, Smuts Papers, inadvertently attribute this letter to Smuts: Document 937.

> I could not resign from Cabinet, as I could have done in an ordinary government, but I would bow to majority's decision, and sign Peace Treaty if this proposal were inserted.[1]

Watt re-assured his Prime Minister that the Commonwealth Cabinet accepted that he could have taken no other course than the one he chose. He frankly admitted that the proposals were a shock:

> The intimation that reparation would not include cost of war was received with profound surprise by your colleagues. The view unanimously expressed was that when such a decision was published it would prove a staggering blow to the natural hopes of the people of the Commonwealth. If the war debt so cheerfully incurred is without relief to be settled upon our people, they must at least for two generations face taxation which will blight Australia's prosperity and make it extremely difficult for the Governments of this country to sustain the unavoidable liability...It is equally difficult to see how the Commonwealth Government can recommend without criticism the acceptance of the settlement to the Australian Parliament.[2]

There was very little press comment on this question of Reparations in marked contrast to such questions as consultation over the terms of the Armistice, Mandates, and the Japanese proposal for a 'Racial Equality' clause in the Covenant for the League of Nations.[3] What there was, by way of editorial comment, was favourable. The Bulletin claimed that 'a big indemnity is not only a matter of simple justice: it is one of prudence too'.[4] In a similar vein the Sun held that an Indemnity 'must be paid not only to keep this country's honour shining, as befits its history, but for the land's future salvation.'[5]

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1. Hughes to Watt, cable, 13 April, 1919; C.A.O., CP 290/3/1.
2. Watt to Hughes, cable, 17 April, 1919; C.A.O., CP 360/8/4.
3. See below, Chapter Three, IV.
4. The Bulletin, 9 January, 1919.
5. The Sun, 20 January, 1919.

On the eve of the announcement of the peace terms, Hughes cabled a summary, interspersed with his comments that reflected his special views on the most perplexing issue of the whole Conference:

> *(Reparation)* is fixed at about 11,000,000,000 *(pounds sterling)*, of which 1,000,000,000 pounds, more or less are to be paid within just two years ago. The balance is to be spread over a term of years and a Commission is to be appointed to take charge and administer all matters incidental to Reparation. This Commission may decide how much less - or possibly more - Germany shall pay each year that amount decided on by Allies. This yearly amount may be as a fact anything from 2,000,000,000 pounds to 600,000,000 pounds a year, more or less. In this regard, very much if not everying depends on Commission. Out of total amount, including the first 1,000,000,000 pounds, France gets 55%, say 7,000,000,000 pounds, the British Empire gets somewhere about 2,000,000,000 pounds, or about one-fifth of the whole. Australia's share of this will be (as cost of war is not included) about one-twentyfifth of the 2,000,000,000 pounds spread over twenty or fifty or a million years, more or less...Belgium is much better treated than we are...*(although)*her war debt is much less than ours. She lost in war only about one-half as many men as we did. Her casualties were less than one-half. France has suffered terribly and I grudge her nothing.[1]

Garran, in his summary on Reparations some months after the Conference, claimed that 'whatever may be said of the justice of these terms, one thing is perfectly clear: they are not unjust to Germany'. Thus, having imposed by her 'unjust aggression' losses of millions of lives, expenditure of '50 milliards sterling', Germany 'escapes on the plea of incapacity to pay, at but a fraction of her obligation'.[2] Latham, years later, spoke at various gatherings on this complicated question and explained to his audiences that the British Empire would receive 22 per cent of a capitalized bill for Reparation of 6,600,000,000 pounds. Of this, the 1921 Imperial Conference had allotted Australia's share as 4.35 per cent which was something less than one per cent of the whole figure.[1] A quick calculation would establish this as in the order of 50,000,000 pounds. Scott records[2] that by 1931 when payments ceased, Australia received 5,571,720 pounds Australian, largely made up of ships which had been seized in Australian ports and the value of expropriated properties in New Guinea. And this was against a claim, excluding war costs, of some 100,000,000 pounds.[3]

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[1] Hughes to Watt, cable, 4 May, 1919; C.A.O., CP 360/8/4.

[2] *(Garran)* Memorandum, 'Reparation', August, 1919; unsigned but clearly by Garran and not Hughes; Garran Papers, C.A.O., CP 351/1/1.

Hughes, Sumner, and Cunliffe, had been appointed as the representatives of the British Empire on the Commission for Reparations and had acted in that capacity throughout. Whereas Hughes's British colleagues had been prepared to compromise in Britain's interests Hughes believed the Dominions, and Australia in particular, would be sold short in any proposition that excluded war costs. As he informed Munro Ferguson in the letter in which he described the presentation of the Terms of Peace to the German delegates in May:

> All the indemnity we get will hardly pay for repatriation let alone the cost of the war and pensions. At least I fear so. It is not a good Peace for Australia, nor indeed for Britain. It is a good Peace for America. She who did not come into the war to make anything has made thousands of millions out of it. She gets the best ships. She

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[1] Latham, speech, 'Duties and Rights of Australia under the Peace Treaty' May, 1922, delivered to the Royal Colonial Institute; Latham Papers, N.L.A., MS 1009/22/111-118.

[2] Scott, Australia during the War, p.808; see also, Bean, Anzac to Amiens, (Canberra, 1946), pp.526-7.

[3] Hughs, C.P.D., vol. LXXXIX, p.12177, 10 September; Watt to Hughes, cable, 21 February, 1919, C.A.O., CP 351/1/1.

> has a good chance of beating us for the world mercantile supremacy. She prevented us getting the cost of the war. Wilson's 14 points has been the mill stone round our necks all through the Conference.[1]

Hughes certainly was right in his contention that the Americans were the victors at Paris. Again it was clear that the 'Fourteen Points' had thwarted a Dominion such as Australia in its quest for some measure of re-imbursement of its war costs. But then Hughes's unashamed and stubborn pursuit of full war costs was just as unrealistic as the Wilsonian solution.

IV. The'Racial Equality' Clause.

When Hughes on 13 April notified Watt of the reparation arrangements he also informed him of the Japanese attempt to include a clause relating to the equality of the races in the Covenant of the League of Nations:

> I have really had a very bad time here lately with reparation and Japanese clause in Covenant. Late last night Japanese amendment was rejected by League of Nations Commission. Japanese say that Wilson said rejection was entirely owing to Australia's opposition and that he personally was quite in favour of it. He is Mr. Facing-both-ways.[2]

Even before the Peace Conference there had been some indication that the Japanese might raise the issue of racial discrimination at the Conference and claim reciprocity rights with regard to immigration for Japanese citizens throughout the world.[3] Conyngham Greene, the British Ambassador at Tokyo, informed Munro Ferguson that the 'prospects of peace' had led

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1. Hughes to Munro Ferguson, 17 May, 1919; Novar Papers, MS 696/2798-2800.

2. Hughes to Watt, cable, 13, April, 1919; C.A.O., CP 290/3/1.

3. Piesse, Memorandum, 'Racial Discrimination', n.d., C.A.O., CP 447/3.

to a renewed agitation in Japan with regard to the removal of all discriminatory barriers against Japanese. If the League of Nations materialised they would expect it to remove racial discrimination in Australia and America.[1] When he reported these matters to Balfour he specified Canada, the United States, and Australia.[2] The India Office on the other hand hoped that the 'opportunity would be taken to clear up the uncomfortable position vis-a-vis Japan.' They believed Japanese Intelligence had been so active and pervasive during the War that public opinion would not resent 'anti-Japanese measures'. The Viceroy concluded that unless the 'air is cleared', relations between Great Britain and Japan at the Conference would be 'unsatisfactory with unfriendliness on one side, distrust on the other and recrimination and evasion on both'. Hardinge, Head of the Foreign Office, and one time Viceroy himself, while approving of private talks with the Japanese to 'clear the air' vetoed any suggestion of airing the issue at the Conference on the grounds that there were already too many subjects to discuss.[3]

In Australia Watt informed Hughes that the censorship restrictions ensured that any press statements prejudicial to Allied interests at the Conference in general were blocked. However, 'a well informed journalist' had published an article demonstrating Japan's great increase in power in the Far East, especially over China, 'her vassal', and that Japan would quickly become one of the great Powers in the post-war.[4] That Australians had developed a lively interest in Japan is demonstrated by the request of W.H. Ifould, Principal Librarian of the Public Library of New South Wales, who initiated a policy of collecting all possible information regarding Japan's activities in the Pacific. He requested assistance from the Premier and instructed his staff to make no reference whatsoever in any printed material issued by the Library, so that Japanese agents should not be aware that the collection was being developed. The material was to be filed in the safe and was available for 'official purposes'.[1]

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[1] Greene to Governor-General, 5 November, 1918; C.A.O., CRS A981, item Marshall and Caroline Islands 2. Also in C.A.O., Melbourne, MP 729/2, file 1877/5/155 and F.O., 608/211/4[illegible]71.

[2] Greene to Balfour, 12 November, 1918; F.O. 608/211/355.

[3] Viceroy to India Office, cable, 2 December, 1918 and Minute by Hardinge, 7 December; F.O. 371/3426/202333.

[4] Watt to Hughes, 16 December, 1918; C.A.O., CP 360/8/1.

As we have noted, 'White Australia' was an article of faith, a dogma of Australian society. Britain's leaders were well aware of the Commonwealth's views on the matter. As the Foreign Office memorandum put it:

> The principle of a "White Australia" is an article of faith with every Australian, and with every political party in the Commonwealth. Any attempt to touch this palladium would be met by instant and desperate opposition...[2]

The official Japanese instructions to Baron Makino, head of their delegation, given in December 1918, were explicit on the question of racial discrimination:

> The Imperial Japanese Government considers the League of Nations the most important organisation of peace and agrees to its purpose. However, the racial discrimination still prevailing in international relations would endanger the very purpose for which the League of Nations was constituted. This situation may

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[1] W.H. Ifould to Premier's Department, 17 December, 1918; Ifould to Premier, 4 January, 1919; Memorandum, 9 January, 1919; 4 January, 1919; Memorandum, 9 January 1919; Mitchell Library, Correspondence, Public Library of N.S.W. The Collection was still in the safe in 1975 when Mr. Sissons took steps to have the material made available for research.

[2] F. Ashton-Gwatkin, Memorandum, 'Racial Discrimination and Immigration', 10 November, 1921, C.A.O., CRS A2219.

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SPARTALIS, P.J.

TITLE/TITRE
ANGLO-AUSTRALIAN RELATIONS:
A CRITIQUE OF THE...

> bring considerable disadvantages to our nation...you are instructed to exert your utmost effort in order to obtain as far as possible the necessary guarantee against any possible disadvantage that may be caused by this racial prejudice.[1]

Just after Makino and Viscount Chinda had approached Colonel House on the issue, believing at this stage that the United States was the key to the situation, a mass demonstration was held in Tokyo. Count Oki informed the rally that the Japanese delegates had been instructed to press for the abolition of racial discrimination. The rally itself resolved that 'the Japanese nation should do its utmost to see that discriminatory treatment based on racial difference, which has hitherto prevailed in international relations be removed by the Peace Conference'. This was cabled to the Japanese Delegation, to Clemenceau, as President of the Conference, and President Wilson. A 'Society to urge the Abolition of Race Discrimination' was forthwith founded in Japan.[2]

Meanwhile, Makino and Chinda at their interview with House had referred to conversations between House and Ishii in 1918 which led them to believe that they could turn to him for advice on the subject. House indicated he 'deprecated race, religious and other kinds of prejudice' and agreed to help, advising them to draw up two resolutions: 'one which they desired and another which they would be willing to accept in lieu of the one they prefer'.[3]

The Japanese delegates complied with House's request almost immediately, and so President Wilson on the following day, after examining both drafts, rejected out of hand their preferred draft. The proposal which he was prepared to accept with a minor modification read:

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[1] Japanese Foreign Office Archives, 9 December, 1918; cited in Fifield, Woodrow Wilson and the Far East, p.159.

[2] Gwatkin-Ashton, 'Racial Discrimination and Immigration', p.17.

[3] House Diary, 4 February, 1919; Seymour, (ed), Intimate Papers of Colonel House, vol.IV, pp.320-1.

> The equality of nations being a basic principle of the League of Nations, the High Contracting Parties agree that concerning the treatment of aliens in their territories, they will accord them, *as far as it lies in their legitimate powers*, equal treatment and rights, in law and in fact, without making any distinction on account of their race or nationality.[1]

The Japanese legal advice on this statement was quite negative, the statement being regarded as quite nebulous. House records that on the sixth the Japanese produced a draft which he believed would not be acceptable to the United States or the British Empire. Further, it was clear that the Japanese were 'making the adoption of a clause regarding immigration a *sine qua non* of their adhesion to the League of Nations'. Still, he thought it possible that a suitable compromise could be reached which would not weaken the British or American position and yet satisfy the *amour propre* of the Japanese.[2] This initial optimism was quickly dispelled. Two days later he observed that: 'Every solution that the Japanese and I have proposed Hughes of the British delegation objects to'. His answer to this was to put the Japanese 'on the backs of the British'.[3]

Fifield records that Balfour and Cecil explained to Makino and Chinda that the subject of race was not 'within the general frame of reference of the proposed League of Nations and its inclusion in the Covenant should not be discussed'.[4] In Cecil's note on his conversation with the Japanese he informed them that it would be impossible to proceed without consulting Australia. He concluded his note with the remark that he had advised the Japanese not to persist for any statement accepted by the League would be innocuous.[1] Balfour very quickly, on the ninth, called on House who was in consultation with Miller, the American Delegation's legal expert. In the ensuing discussion on the Japanese proposals it was clear that though Balfour appreciated the problem he could not accept their proposals. In particular the opening statement that 'all men are created equal', Balfour held, was only true in a limited sense. Certainly he could not hold that 'a man in Central Africa was created equal to a European'. Afterwards, Miller, having unsuccessfully attempted to draft a suitable clause himself, dropped a note of explanation and frustration to House. As he explained, any clause which 'we think sounds well' would be unacceptable to the Japanese, as it would have 'no particular legal effect, because it was not intended to have any. Any draft which had a real effect would, of course, be impossible'.[2] Balfour too, after this meeting recorded his impressions which he noted, 'have not been revised'. House had informed him that 'the Japanese had intimated that they would find it difficult or impossible to join the League of Nations' if they did not receive some satisfaction on this question. Both agreed that this was an 'attempt at Blackmail'. All the formulae he read, Balfour remarked, appeared to allow unrestricted immigration which neither the United States nor the British Dominions had any intention of carrying into effect. Balfour believed it unwise to include such phrasing:

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[1] Cited in Miller, *My Diary*, vol.V, Document 355; Wilson deleted the underlined phrase and replaced it by 'as soon and as far as practicable'.

[2] House, Diary, Seymour, (ed). *Intimate Papers of Colonel House*, vol.IV, p.322.

[3] *Ibid.*, p.323-4.

[4] Fifield, *Woodrow Wilson and the Far East*, p.160.

> It would have the triple disadvantage of exciting hopes in the Japanese public which could not be fulfilled; of exciting fear among the English

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[1] 'Note for Balfour' by Lord Robert Cecil, ' Japanese Immigration,' n.d., Balfour Papers, F.O. 800/215/148.

[2] Miller to House, 9 February, 1919; My Diary, vol.V, Document 363, p.215.

> speaking population in new countries least they should be filled; and burdening the League of Nations with a perpetual controversey incapable of satisfactory solution.

House, Balfour concluded, was concerned over the situation whereby the Japanese were denied outlets into America and even parts of Asia.[1]

Cecil, once he realized the extent of the Japanese proposal, apprised Lionel Curtis of the situation. Curtis had been wrestling with this problem for years. During the War he had toured the Empire consulting Dominion and Indian authorities on the post-war immigration problems which he had clearly foreseen. His solution to the problem of Indian and Japanese demands for rights of entry into the Dominions was one based on reciprocity. By acting immediately the Dominions would pre-empt the proposals of the Indians and the Japanese:

> India would be satisfied by arrangements based on the principle that Canadians in India were to be treated on exactly the same bases as Indians in Canada....The Japanese could scarcely claim rights in Canada which you do not claim for Canadians in Japan nor can it seriously claim privileges for its own subjects which the Indian Government does not claim for Indian subjects in Canada.[2]

In December, 1918, Curtis had urged the implementation of the resolutions of the Imperial War Conference on the issue which were based on the above formula.[3] Montagu, the Indian Secretary informed the Viceroy that he believed the Japanese would raise the immigration issue at the Conference and so he was anxious to know what India and the Dominions would do with respect to the resolutions of the 1918 Imperial War Conference for he believed their implementation would forestall Japanese demands. Late in January 1919, Macleay, Balfour's Far East expert at the Conference, minuted that he considered Montagu over-optimistic. He reckoned the Japanese would aim at something more than the extremely limited provision of the 1918 resolutions. These excluded the petty traders, domestic servants and so on, for whom, Macleay believed, the Japanese wished rights of entry.[1] At any rate the Foreign Office did not expect that the Japanese would raise the issue at the Conference. In the event that this did occur, the Foreign Office believed that the Japanese could be stalled by referring them to the resolutions of the Imperial War Conference. Thus, the British Government would not be in a position to discuss the question of foreign immigration into the Dominions until the question of 'the migration of British Asiatics between the component parts of the British Empire' had been settled. Milner however, did not believe that the resolutions of 1918 were acceptable to the Dominions as a basis for Japanese immigration into the Dominions, nor was he certain whether the Japanese would accept them. He considered the question of foreign immigration, from outside the Empire, was solely a domestic matter for each Dominion to decide.[2] When Curtis realized that the Japanese actually were on the verge of openly pressing their claim at the commission on the League of Nations he hurriedly informed Milner of the state of the issue. Curtis referred to 'the steps which had been taken in the last three years to meet this difficulty eventually, which was foreseen'. In the present circumstances he advised the adoption of reciprocal visa and passport arrangements between each of the Dominions and Indian Governments:

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[1] Balfour, Memorandum, 'Notes Dictated on Monday, February 19, 1919. Conversation with Colonel House on Japanese claims in connection with the League of Nations and the Rights of Japanese Immigrants', Balfour Papers, B.M. Add. MS 49751, ff.177-8. See also F.O., 608/240/ff.50-1.

[2] L. Curtis, Toronto, to M. de Roche, Minister for Interior, Canada, 16 June, 1916, enclosed in L. Curtis to Lord Chelmsford, Viceroy of India, 2 November, 1916; Archives of India, Emigration no. 7.

[3] L. Curtis, 'Memo for Asiatic Migration', 14 February, 1918, C.O. 608/211/1914.

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[1] Secretary of State for India to Viceroy of India, 11 January, 1919; minute, Sir J.W.R. Macleay, 20 January; F.O. 608/211/315.

[2] Max Muller, Foreign Office to Macleay, British Delegation, Paris, enclosing Colonial Office note from Milner; 10 February, 1919; F.O. 608/211/2061.

> The moment these steps have been taken we are in an impregnable footing because we can say to the Japanese that we cannot put them on a better footing than that accorded by the various countries in the British Commonwealth to each other. On the other hand we can offer to put them on the same footing and the question will be once for all solved.

Curtis believed that the United States would probably also agree to this proposal whereas the Japanese proposition to be put before the Conference would be met with solid opposition from their 'Western States'. Lord Reading, the British Ambassador at Washington had agreed with him on this. It was vital first to put matters in train with the Dominions then the Empire and the United States could approach the Japanese with their proposal, but the current Japanese move had taken him by surprise.[1]

The day before the Japanese presented their proposal to the League commission, Chinda informed House that he intended to present a resolution which would be more drastic than the one the President had agreed to accept. His objective was simply that since it was likely that a proposal would be defeated anyway, a strongly worded one would impress Japanese public opinion.[2] On 13 February Makino presented their proposal:

> The equality of nations being a basic principle of the League of Nations, the H.C.P. agree to accord, as soon as possible, to all alien nationals of States members

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[1] Lionel Curtis to Lord Milner, British Delegation, Paris, 10 February, 1919; F.O. 608/211. In April 1919 Australia extended its reciprocal passport and visa arrangements with India on the basis that India would not press claims for permanent settlement in Australia for Indian labour; 'Immigration Restriction - The Passport Arrangements with Japan, China, India, and other Countries' Papers Prepared in the Pacific Branch for the First Assembly of the League of Nations, November, 1920, Piesse Papers, N.L.A., MS 882/2/66.

[2] House Diary, 12 February, 1919; cited in Seymour, (ed), Intimate Papers of Colonel House, vol.IV, p.324.

> of the League equal and just treatment in every respect, making no distinction, either in law or in fact, on account of their race or nationality.[1]

It was defeated. Cecil, speaking from the chair, pointed out that the question posed extremely serious problems for the British Empire. House indicated that he would inform President Wilson of the commission's decision but United States reserved the right to raise the question of 'religious liberty', with which the racial equality' had been linked, again at the Conference. The following day Makino also reserved Japan's right to raise the race question at a later date.[2]

When the Japanese delegation reported to Tokyo, a few days later, it pointed out that the source of Britain's opposition was obviously the 'Colonial' Prime Ministers.[3] They would therefore attempt to gain the support of Hughes and Borden.[4] However, they did not feel there was much likelihood of success. Makino and Chinda regularly reported progress and in turn received further instructions as the issue developed. Ishii, in his Diplomatic Commentaries pointed out that 'only a small margin of discretion' was allowed these Japanese Delegates who were by no means leading figures in the Japanese Government - hence the close liaison with Tokyo.[1] Before Makino and Chinda had a chance to see Hughes, their Government on 4 March issued fresh instructions. Now, the Government were prepared to accept the mere statement of the principle and would not seek changes immediately in any legislation conflicting with this principle.[2] The implication was clear though, that Japan would press eventually for changes in the domestic legislation of other nations. It was just this right which Hughes contested.

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[1] 'Notes on the Proceedings in the Commission of the League of Nations, 13 February, 1919; Piesse Papers, N.L.A., MS 882/4/59; see also House Diary, Intimate Papers of Colonel House, vol.IV, p.325.

[2] Plenary Session, 14 February, 1919; U.S. Foreign Relations, P.P.C., vol.III, p.225.

[3] See D.C.S. Sissons, 'The Immigration Question in Australian Diplomatic Relations with Japan, 1875-1919'; Paper read to Australia and New Zealand Association of Science, (Brisbane, 1971). Sissons makes full use of Japanese sources in this article. I am deeply indebted to the author for the use of this outstanding article on the subject.

[4] Peace Conference Delegation to Foreign Minister, Tokyo, 15 February; Ibid; p.2.

The Japanese caught up with Hughes on the fourteenth. They relayed their fresh instructions to him, denoting their change of policy. That Hughes did not fail to notice the hidden barb is clear from his negative response. He had no objection to the principle but he believed it would be difficult to put it in practice. Hughes pointed out that quite apart from the 'rights and wrongs' of the matter he had to consider Australian public opinion. He would examine the wording very carefully, but as the Japanese reported, he was 'noncommittal through out'.[3] The Japanese Delegates were under strong pressure from their own public opinion to press on with the issue. The same day the executive committee of the League for the Abolition of Racial Discrimination assembled

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1. Ishii, Diplomatic Commentaries, (Baltimore, 1938), p.xii; Makino had been Foreign Affairs Minister, 1913-1914, while Chinda had been Ambassador at Washington, 1911-16, and at London since then.

2. 'The Issue, Abolition of Racial Discrimination', Commercial Bureau, Ministry of Foreign Affairs, 20 September, 1921; cited in Sissons, 'The Immigration Question in Australia's Diplomatic Relations with Japan'. This paper is also based on the telegrams and despatches exchanged during the Conference.

3. Peace Conference Delegation to Foreign Minister, Tokyo, 15 March, 1919; cited Ibid; Fifield, Woodrow Wilson and the Far East, p.163.

at the Japanese House of Representatives to insist on the acceptance of the principle.[1] That night Ishii, currently Ambassador at Washington, reinforced their case at a dinner in New York.[2] At this point, apparently, according to Cecil, the Japanese felt somewhat optimistic.[3] Yet the following day Cecil's own negative remarks were reported to Tokyo by the Japanese delegation.[4] The Japanese stuck to their task and although over the next few days they sought another interview with Hughes, he avoided them. Garran though, relayed Hughes's continued opposition to their submissions. Consequently the Japanese turned to House and then President Wilson both of whom approved of their latest formula. Turning now to Cecil they gained his approval and he in turn informed them that he had been unsuccessful in attempting to persuade the 'Colonial' Prime Ministers.[5] The upshot was that a meeting was arranged on the twenty-fifth at Borden's apartment betwen the Dominion leaders, the Japanese, and Cecil whose good offices had been used to effect the meeting.

The meeting at Borden's flat was crucial. As a result the Japanese delegation believed that the whole issue rested on the assent of one man - Hughes. Borden records that he proposed a clause which evidently satisfied all but Hughes.

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[1] Scott, Australia during the War, p.791 cited in the cable to the Japanese Delegation from Tokyo, dated 16 March, 1919.

[2] Polk to American Mission, Paris, 15 March, 1919; cited in Milner, My Diary, vol. VI, Document 528.

[3] Cecil in conversation with House, 18 March, 1918; Miller, My Diary, vol.I, p.188.

[4] Fifield, Woodrow Wilson and the Far East, p.163.

[5] See Sissons, 'The Immigration Question in Australia's Diplomatic Relations with Japan', pp.3-4; and Ibid., p.163.

Borden proposed as a compromise 'the endorsement of the principle of equality between nations and just treatment of their nationals'.[1] The Japanese report to their superiors could not hide their frustration, disappointment and bewilderment:

> When the Prime-Ministers were asked to agree to this most of them showed complete agreement with it. Hughes alone persisited along his stubborn solitary path:- he was not unsympathetic to the Japanese stand; however as representing Australian public opinion he had no alternative but to express his opposition - root and branch; it was not a problem of drafting, ninety-five out of every hundred Australians would unite in rejecting the idea which underlay our proposal; the other Prime-Ministers were free to do as they liked - he would do what his duty demanded. So saying he left the meeting.[2]

Hughes's private thoughts on the matter were eloquently expressed in the margin of his copy of the proposed amendment:

> The Japanese wish to insert the above amendment in the Preamble. It may be all right. But sooner than agree to it I would walk into the Seine - or the Folies Bergère - with my clothes off.[3]

Murdoch in the Melbourne Herald's report of the meeting also caught the spirit of Hughes's attitude when he reported that Hughes'would not abate one jot or tittle'of his opposition to any expression[4] in the Covenant against racial discrimination. However, Piesse, the indefatigable Director of Military Intelligence, disagreed. At this very time he had been busy completing his own secret memorandum for the Department of Defence on 'Discrimination against Asiatics: Notes for an Australian Policy'. Piesse, obviously influenced by the reports of Hughes's intransigence on the question admonished Hughes's conduct in relation to his undiplomatic methods in dealing with the Japanese:

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[1] Borden, Memoirs, pp.926-7.

[2] Peace Conference Delegation to Foreign Minister, Tokyo, 30 March, 1919, including a report of this meeting on the twenty-fifth; cited in Sissons, 'The Immigration Question in Australia's Diplomatic Relations with Japan'.

[3] Hughes, Minute n.d.; Hughes Papers, N.L.A., MS 1538/136/5.

[4] The Melbourne Herald, 27 March, 1919.

> It is urgent that the Government decide on a policy. Such an attitude as Mr. Hughes has taken, of emphasising the differences between Japanese and Australians and declaring that we shall not "budge an inch" will not do at all. If the Government should decide on a policy that could be shown to the Japanese to be moderate and reasonable then steps should be taken....to make it known in the least and to explain and defend it in the vernacular press. This would have the advantage of promoting our own policy while at the same time it would assist the democratic party in Japan in their struggle with the military chiefs....[1]

As we have emphasised elsewhere, public opinion and all shades of political opinion upheld the 'White Australia' policy and no politician would survive the next election if he tampered with it. Murdoch followed up his report of the meeting by the Dominion leaders with the Japanese with a statement that Hughes was supported in his stance by Cook, the Navy Minister, and George Pearce the Defence Minister. Pearce was in Paris at the time to deal with repatriation questions and as the most ardent of Japanophobes, Hughes could not have had more solid moral support. Pearce described the Japanese proposal as a 'smokescreen behind which preparations for raising other questions would proceed'.[1] Murdoch concluded his article by alluding to the opportune time which the Japanese chose to re-open the issue. With President Wilson struggling to ensure the acceptance of his League of Nations the Japanese, he believed, 'with their quick but legitimate and diplomatic sense seized the time most favourable to them'.[2]

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[1] Memorandum, 27 March, 1919; Piesse Papers, N.L.A., MS 882/2/118. On 1 July, Piesse was appointed Director of the Pacific Branch in the Prime Minister's Department, on Watt's initiative, while Hughes was still in Paris. In 1919, he spent some seven months in the Far East on tour in connection with his new appointment; 'Record of the work for 1919-20 of the Pacific Branch', 29 July, 1920, signed by the Director; C.A.O., CRS A981, item 139. Naval Intelligence utterly opposed the creation of the Branch, Admiral Creswell officially stating that it was 'absolutely of no value'. Creswell to the Minister for Defence, 30 July, 1919; C.A.O. (Melbourne), MP 1049/1, file 19/054.

When Hughes reported to Watt, also on the twenty-seventh, he informed him that it appeared that the Japanese were acting under strong instructions from Japan, with the fate of the Government dependent on their successes. He indicated that he had 'declined *(to)* agree to any form of words' despite the many times that the Japanese had modified their demands. Rumour had it, that the Japanese would not accept the Covenant, he went on, but no matter what, and no matter what Britain did:

> I do not propose agree even subject Australian Parliament's right to ratify. Fact is that tentacles of League of Nations will be so intertwined about Peace Treaty that Parliament will have no option but to accept in globo - including probably mandates, indemnity.[3]

It took Watt a week to reply and in the interval, as Watt noted, the Japanese demands had varied. Cabinet therefore found it difficult to pronounce on the matter but 'the view of the Government generally', Watt concluded, 'is that neither people nor Parliament of Australia could agree to principle of racial equality which it seems Japan is seeking.'[4] Hughes would have anticipated this anyway but considered it essential to advise Watt as to the complexity of matters facing him with regard to the League, for Hughes believed he was 'enmeshed in a web' from which 'he could see no way of freeing' Australia. At the meeting that week of the Inter-Allied Labour Conference, whose activities were to be associated with the League, it was proposed that the same treatment should be extended to all nations with respect to labour conditions. Hughes interpreted this to mean that 'all Japanese, Chinese and other Asiatics' would be admitted to all unions, and enjoy the same privileges under labour and factory legislation. On top of this, as Japan was insisting upon equal treatment for all nations signing the League Covenant then 'it follows at best that all Asiatics would be entitled to be enfranchised as well as admitted to unions and equal treatment under labour laws'. But there was more. Hughes then pointed out that Australia also could not get a mandate over the Islands nor an indemnity nor any privilege and benefit of the Peace Treaty unless it signed the Treaty which automatically involved the League and the Labour Convention. It appeared to him that Australia could'only get the mandate etc. at price of sacrificing White Australia policy and probably of right to make tariff discriminations'. In these circumstances he planned to adopt the following line of attack which he elaborated for Watt's benefit:

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[1] The Melbourne Herald, 28 March, 1919.

[2] Ibid.

[3] Hughes to Watt, cable, 27 March, 1919; C.A.O., CP 360/8/3.

[4] Watt to Hughes, 4 April, 1919.

> Am trying failing prevention insertion Japanese amendment altogether to get following course adopted:-
>
> (1) Limit Japanese amendment in League Nations covenant to honorable dealing between nations and just treatment of their nationals providing however that immigration and naturalization are domestic matters and so outside covenant.
>
> (2) Make acceptance of Labour Convention independent of the and not contingent upon League Nations Covenant.

> (3) Keep out of treaty all clauses relating to treatment of labour. If successful signing treaty would not affect White Australia policy and we need not sign labour convention if it should contain anything to which we object.
>
> I should be glad if you would confidentially discuss the position with colleagues and let me have your views at earliest moment.[1]

Watt eventually cabled the Cabinet's approval of Hughes's actions and proposed course of action. On the Labour Convention, Watt agreed with Hughes that 'organized Labour in Australia would decline to admit Asiatics to their ranks, and confer upon them the same privileges as those enjoyed by Europeans'.[2]

There was further support for Hughes - from the Australian Delegation at Paris which was unanimous in its support for the 'White Australia' policy. However, the 'technical' staff in general were discreet in their remarks on the subject preserving a diplomatic silence. Eggleston on this issue upheld the Australian position. In his own memorandum he concluded that:

> The evils of mixed races on the same soil are fresh in people's minds. Every great European problem is complicated by them. Australia is the great field for overflowing millions of Western Europe. Racial discrimination is practised by all great nations today, including Japan.[3]

Garran devoted little attention to the issue in his private diary commenting at the end that 'Makino lamented that he hadn't been allowed to put in his amendment about the equality of the races'.[4] Latham at the Conference deliberately refrained from elaborating on this issue in his diary but on 3 June he informed Piesse, rather cryptically, that he had 'something interesting' to tell him with regard to the Japanese amendment but he thought it best not to communicate his views on paper.[1] He did however, write to his wife, Ella. He confidentially informed her that Japan was trying to insert somewhere, anywhere, in the Covenant of the League a clause which would enable her to object to various immigration policies, 'including of course, White Australia'. Latham pointed out the gravity of the proposal: 'No Government could live for a day in Australia if it tampered with a White Australia - and Mr. Hughes is aware of this'. Analyzing the clause, Latham explained that either it 'means something or it means nothing: if the former out with it; if the latter why have it?' He predicted an 'interesting' position because 'neither U.S.A. nor Canada nor Australia will agree on any fetter upon their power'[2] with respect to immigration. When Latham did publish his own article on the Peace Conference later on in the year, he was just as cryptic. He assured his readers that:

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[1] Hughes to Watt, 31 March, 1919; C.A.O., CP 360/8/3.

[2] Watt to Hughes, 11 April, 1919; Ibid., item 4.

[3] Eggleston, Memorandum, 'Is it necessary to Save the Rights of the Dominions in the matter of Alien Exclusion?' n.d.; Garran Papers, C.A.O., CP 353/1. B/4.

[4] Garran Diary, 28 April, 1919; Garran Papers, N.L.A., MS 2001/7/292. See also his views wholeheartedly supporting Hughes in his Prosper the Commonwealth pp.265-6.

> How it came about that the Japanese representatives adopted this course, instead of moving the amendment in a Conference which they had reason to believe would have supported their claim, is one of the interesting stories of the Conference which higher authorities have not yet told, and upon which I cannot, therefore, speak.

He had no doubt that Hughes was right in resisting the Japanese amendment. It was 'a mistake, therefore, to criticise' the Australian representatives on the grounds that the Japanese request was 'a harmless generality, which might safely, and, indeed, wisely, have been conceded'. Latham believed there was more to the clause than that:

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[1] Latham to Piesse, 3 June, 1919; Piesse Papers, N.L.A., MS 882/5/30.

[2] Latham to Ella, 21 March, 1919; Latham Papers, MS 1009/21/1438.

> At the stage which matters had then reached, it was clear that the concession would not have been harmless, and the Dominions refused to accept the proposed amendment. The attitude of the British delegates on the Commission of the League of Nations was on this subject determined by the attitude of the Dominions, and they therefore opposed the amendment.[1]

We have then, an explanation, a context for Hughes's viewpoint as an Australian.

In the League of Nations commission the Dominions were not represented and thus it was Britain which had to carry the burden of finding a way through the impasse. However, as Cecil informed Lloyd George,[2] it was Smuts who conducted the negotiations at this point up to the crucial commission session on 11 April. On the twenty-sixth the Japanese delegates had called on Smuts to ask him to sound out Lloyd George and to seek the British Prime Minister's support. Smuts explained to them that on this question it would be inappropriate as it was purely a Dominion matter. Moreover, to quote the Japanese report of Smuts's remarks, as Hughes was :

> by nature very narrow-minded and was not the kind of man to consider international implications - he was also pig-headed; if there were any interference it might well serve merely to intensify his opposition.[3]

Smuts duly contacted Hughes. On this occasion the Australian explained that to accept the formula would mean that Australia could face the situation whereby 'the Chinese would claim the right to immigrate to Australia'. He intimated that if the proposal was adopted as a part of the Covenant he would attack it in plenary session and if adopted there he would refuse to sign the Covenant. Smuts pointed out that Massey of New Zealand felt bound to follow Hughes and the British Government also would feel bound to support its 'Colonial' Prime Ministers.[1] Colonel House, as planned, arrived for discussions with the Japanese. House 'told Makino frankly' that while the United States could agree to the formula, unless Hughes 'promised not to make trouble' the Americans could not agree to its inclusion.[2] House urged Makino to let the issue rest. He knew that no clause, no matter how mild and inoffensive it was, could satisfy Hughes who had made it clear that he would raise a storm of protest in the Dominions and the 'western part of the United States', something neither House nor Wilson would relish. He took the opportunity to mention to Makino, or rather, to round on him, against 'the virulent abuse of the United States in which the Japanese Press were now indulging'. Makino replied that it was believed that it was America who opposed Japan on the issue. He would 'let their people know just where the trouble lay'.[3]

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[1] Latham, The Significance of the Peace Conference from an Australian Point of View, 23 October, 1919, being an address delivered to the Melbourne University Association and published as a pamphlet. Latham's cryptic remarks would have referred to his belief that the 'Racial Equality' clause was simply a 'stalking horse' for Shantung.

[2] Cecil to Lloyd George, 11 April, 1919; Lloyd George Papers, House of Lords Record Office, MS F/6/6/29.

[3] Peace Conference Delegation to Foreign Minister, Tokyo, 30 March , 1919; cited in Sissons, 'The Immigration Question in Diplomatic Relations with Japan', p.5.

Here is the origin of the view that Hughes was allowing himself once again to be the catspaw of another Great Power, this time, of the United States:[4] If Hughes had kept quiet the United States would have had to bear the odium of finally opposing the Japanese on the issue rather than Australia which could hardly afford to do this. These, anyway, were the sentiments of Murdoch who published them just before the commission was scheduled to deal with the issue.[1] It is the standard criticism that has been levelled at Hughes ever since. As Sissons so succinctly sums up this criticism: 'If only he had left well enough alone'.[2] Piesse at the time believed Hughes unnecessarily had drawn the fire of the Japanese away from the Americans on to Australia:

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[1] Ibid., p.6. Smuts evidently suggested a solution involving a 'general convention' with respect to commerce and immigration based on complete reciprocity. This appears to be an extension of Curtis' solution for the immigration question.

[2] Ibid., House Diary, 29 March, 1919, Intimate Papers of Colonel House, vol.IV, p.430.

[3] Ibid.

[4] On Reparations it was said to be the French.

> The utterances of Australian public men have attracted much more adverse criticism in Japan than have those of American public men:...'The outstanding feature is that the Japanese papers allege that the utterances of Australian public men (particularly of Mr. Hughes) are characterised by the most pronounced racial prejudice, and by an assumption of racial superiority of the white races over the races of the Far East...'[3]

This was Piesse's reply to Hughes's vitriolic comments on an earlier memorandum in which he proposed relaxation of certain aspects of the 'White Australia' policy. Hughes had scrawled over that memorandum which included the above citation: 'Where is there any proof of this? I know of none and do not accept it. W.M.H.'[4] Hughes believed he was right. He could handle the criticisms from Japan but most important, he had preserved Australia's basic social doctrine. The Japanese criticisms were worth it.

Returning to the issue, Hughes gave an interview to the associated press of America which was widely reported in both the United States and Australia. It appeared to be aimed as much at winning the support of the American Pacific states as publicising his reservations on the proposed 'racial equality' amendment. He suggested that the Pacific states would be as much opposed to this amendment as would Australians. He rejected Japanese assurances that it was the principle rather than the substance which the Japanese really wanted recognized.

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[1] The Melbourne Herald, 10 April, 1918.

[2] Sissons, 'The Immigration Question in Diplomatic Relations with Japan'.

[3] Piesse, the Director of Pacific Branch to Secretary of Prime Minister's Department, 7 October, 1920; Piesse Papers, MS 882/2/42 and C.A.O., CRS A2219, vol.XVII. This was based on a survey of the Japanese press over the last two or three years.

[4] The Memorandum with which Hughes was so incensed was 'Discrimination against Persons of Non-European Race in Australia', 1 September, 1920; C.A.O., CP 447/2. Hughes actually labelled one paragraph, 'Rot' and another 'Nearly as bad' and criss-crossed yet another with his pencil.

> I am afraid that his *(Makino's)* assurance will not reconcile the people of Australia to the proposal. It certainly does not satisfy me. Either the proposal means something or nothing. If nothing then why insert it? If something then surely this something will not be achieved by mere words, stopping for all time short of action. If these words which it is desired to insert in the covenant mean nothing, then the covenant itself means nothing.[1]

By the end of the month Hughes did give a glimmer of hope to the Dominion leaders, Borden and Smuts, who had laboured so vainly to find a solution. It was agreed between them that the former should try once again. Borden records that Hughes at last indicated a positive attitude. He would be willing to consider the proposal 'if the Japanese would agree to insert in the terms of the Covenant a declaration that immigration and naturalisation were to be regarded as domestic questions with which the League should not interefere'.[2] Meanwhile the Japanese had rejected Smuts's suggestion of a convention based on reciprocal immigration provisions, ostensibly on the grounds that in practice such arrangements ended up as one-sided. Nor would they accept the formula which Hughes had indicated he was prepared to accept. This time the Japanese pointed out that they had spent years having such a clause deleted from a commercial treaty with the United States. Therefore they were not prepared to see such a clause permanently embedded in the League.[1]

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[1] The New York Times, 28 March, 1919 and the Sun, (Sydney), 30 March, 1919; Newspaper Cuttings, Piesse Papers, C.A.O., CRS A2219, vol. VI.

[2] Borden, Diary, 31 March, 1919; Memoirs, pp. 927-8.

Now it was the Japanese who were negative. Hughes used this refusal as his justification for stating that the Japanese proposal must therefore have been more than just a statement of principle. The whole tenor of his remarks to the Commonwealth Parliament when he spoke on the Treaty of Peace Bill, was that he believed immigration clearly was the objective of the Japanese.[2] In his policy speech at Bendigo the following month, for the forthcoming elections, he repeated this argument.[3] The Japanese had officially reported to Tokyo on the twenty-fifth that the Dominion leaders had given the prospective elections as the explanation for Hughes's attitude.[4] If this is so, then the three principals in the dispute were the 'victims' of public opinion. The Americans were sensitive about their Pacific constitutencies, the Australians wished to preserve 'White Australia' and the Japanese had hoped to use the Peace Conference to secure a declaration on the equality of the peoples of all countries. As Piesse notes:

> There is little doubt that in the popular view in Japan it was intended to involve also the abolition of all restrictions on the entry of Japanese into foreign countries.

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[1] Peace Conference Delegation to Foreign Minister, Tokyo, 2 April, 1918; cited in Sissons, 'The Immigration Question in Diplomatic Relations with Japan', p.8.

[2] C.P.D., vol.LXXXIX, p.12174-6, 10 September, 1919.

[3] Hughes, Prime Minister's Policy Speech, Bendigo, 30 October, 1919.

[4] Peace Conference Delegation to Foreign Minister, Tokyo, 25 March; cited in Sissons, 'The Diplomatic Questions in Relation with Japan', p.5.

But, as Piesse points out, 'a little knowledge of Japanese affairs might have dispelled' any suspicion that the Japanese Government intended to interfere in the immigration arrangements of other nations. However, as he acknowledges, the refusal by the Japanese delegation to express this naturally led others to believe the contrary. This refusal was probably dictated by the 'racial equality movement' that had swept the country and a natural desire to preserve their own lives:

> They knew that the racial equality movement was supported by a society of patriots which had committed more than one political murder, and it seems probable that their refusal to exclude immigration from their amendment was due in part to fears for their own safety.[1]

In the light of the above, Cecil's remarks expressed to Borden are perhaps over-stated but certainly bear the marks of his annoyance and genuine apprehensions:

> There is very little left to be done except only-and this is a big exception-the very tiresome question of the Japanese. As to this I cannot help regretting the completely *(non possumus)* attitude assume by Hughes. It would be refreshing if that statesman could for once make a constructive suggestion, instead of devoting his great abilities exclusively to destroying every proposal made by others. But it is no use my making any representations to him on the subject, because he regards me as a fanatic or worse. If you think you could in any way help matters I should be very grateful to you. Unless something is done I am afraid that the Japanese will make a public protest against our attitude on this question and attract a very great deal of European sympathy from those nations who have no Asiatic question to deal with, and this will be all the more regrettable since they are our Allies. Further, it is possible that they may refuse to join the League of Nations-a result which will materially increase the insecurity of Australia, apart from its other disadvantages.[2]

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1. Piesse, 'Japan and Australia', Foreign Affairs, (New York), vol.IV, pt.iii, (January, 1926), pp.484-6; Piesse states on p.486 that in 1921 Hughes's speeches 'atoned for what he said in previous years'.

2. Cecil to Borden, 2 April, 1919; cited in Canada, Department of External Affairs, Documents on Canadian External Relations, Vol.II, The Paris Peace Conference of 1919, (Ottawa, 1969), pp.104-5.

At this point the Japanese delegates received fresh instructions. They were to attempt to secure the inclusion of a statement of Japan's position in the minutes of proceedings. If they could not get this, Sissons notes, they were to delay the signing of the Covenant and seek new instructions.[1] Renouvin asserts that a Japanese threat not to sign the Covenant was decisive in the Japanese gaining a diplomatic victory when the Treaty of Versailles eventually awarded her the German territories of Shantung. Renouvin points out that the Japanese made it known that if they obtained satisfaction over Shantung they would not insist on the question of 'racial equality' but that if Japan did not receive Shantung Japan would refuse to sign the Treaty. Taking the delegation's new instructions on the 'racial equality' clause and Renouvin's evidence concerning Shantung we have a double-barrelled threat levelled at the Covenant by the Japanese. As Renouvin asks:

> Was the Japanese threat a bluff? According to Secretary of State Lansing in 1919, the American Senate was convinced that it was, and criticised Wilson for having yielded too quickly. Thirty years later, however, documents found in the Japanese archives were to prove that Wilson was correct and not Lansing.[2]

In a last desperate measure, Makino and Chinda visited Lloyd George on 3 April, hoping he could break the dead-lock. Thus during this last week before the decisive commission session Borden, Botha, Smuts, and the Japanese delegation tried in vain to move Hughes. In the end, a frustrated Botha concluded, speaking to Makino of Hughes: 'Strictly between ourselves I think he is mad'.[1]

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[1] Foreign Minister, Tokyo, to Peace Conference Delegation, 31 March, 1919; cited in Sissons, 'The Diplomatic Question in Relations with Japan', p.8.

[2] Renouvin, War and Aftermath, 1914-29, pp.164-5. House corroborates this view: Intimate Papers of Colonel House, vol. IV, pp.465-70.

Garran records that Smuts asked him to inform Hughes that the Japanese would withdraw 'race' and replace it with 'nationals of States members of the League' and thus rid the clause of any overt racial expression. He further suggested the deletion of 'equal and just treatment' and the substitution of 'equitable treatment'. Further, an additional clause should be framed expressly limited to discrimination between nationals of foreign states actually resident in the states which would clearly exclude any interpretation which would apply to immigration. When Makino saw Botha, Smuts, and Hughes on the eleventh, and it was suggested that immigration should be excluded by an express statement, Makino would not agree.[2] Just as the Japanese early in April, Garran records, came to Hughes with a cable from Tokyo dated 14 March which indicated that the 'League for the Abolition of Racial Discrimination' was bent on pressurising the Japanese delegation to accede to its demands, so Hughes, Fitzhardinge records, drafted a cable which he showed to House, which was to be sent to every editor on the west coast of the United States.[3]

Murdoch published in the Melbourne Herald on the tenth a communique from California to the effect that its legislature had been advised by the Secretary of State, Lansing, to postpone indefinitely its proposed 'anti-Japanese measure'.

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[1] See Borden, Memoirs, vol.II, pp.930-1; Peace Conference Delegation to Foreign Minister, Tokyo, 13 April, 1919, cited in Sissons, 'The Immigration Question in Australia's Diplomatic Relation with Japan', pp.8-9.

[2] Garran, Memorandum, 'League of Nations: Proposed Japanese Amendment', n.d.; Garran Papers, C.A.O., CP 351/1, B/2.

[3] Garran, Ibid., and Fitzhardinge, 'W.M. Hughes and the Treaty of Versailles', p.139. This latter account appears to be based on a similar and highly coloured recollection of Hughes in his Policies and Potentates, pp.244-8.

Lansing advised that the measure was 'extremely unfortunate at this time'.[1] Murdoch, the day before bemoaned the situation that Australia had become the special target of Japanese suspicion and resentment. He believed Australia was pulling 'the chestnuts out of the fire for the greater Powers'.[2] Professor Murdoch, the Japanese expert, was positively alarmed at the turn in events. Basing his remarks to Piesse on a report by the Sun of Makino's statements to Keith Murdoch he commented that 'the fat is in the fire, and things are getting even more serious than I expected them to be. Are we prepared to fight at any time, within five years from now?'. The emphasis on the 'race aspect' he believed was most unwise. It was just the way to become involved in a 'scrap' with the Japanese. What alarmed him was that someone like Makino 'who is sobriety and common-sense incarnate' should now indulge in the 'plain terms' he had now employed. The result would be, he predicted, that the 'military coteries' would be strengthened and public opinion would swing in behind their platform.[3]

The Japanese noted that though Hughes had pleaded illness he was present during the day at the plenary session on the eleventh. They concluded that he had feigned illness to avoid them.[4] The Japanese request was to be considered towards the end of the evening session and after Wilson's own Monroe Doctrine amendment. The debate on this latter clause was prolonged, records House, in view of the objections of the French delegation. House recorded that it was 'one of the stormiest meetings' of the whole Conference. Wilson was forced to make a most impassioned speech before it was accepted, the French dissenting.[1] Wilson had been warned by the former President, W.H. Taft, a Conservative, that a reservation on the Monroe Doctrine was essential for acceptance of the League and the Treaty by the United States. Significantly he had also advised that article XV of the Covenant which dealt with disputes between members which had not been put to arbitration should be amended. He advised the addition of a clause which would stipulate that on a domestic issue in dispute the executive council would 'recommend no settlement'. In this way 'objections as to Japanese immigration as well as tariffs' would be covered.[2]

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[1] The Melbourne Herald, 11 April, 1919.

[2] Ibid., 10 April, 1919.

[3] Professor Murdoch to Piesse, 10 April, 1919; Piesse Papers, N.L.A., MS 882/5/13.

[4] Peace Conference Delegation to Foreign Minister, Tokyo, 13 April, 1919; cited in Sissons, 'The Immigration Question in Australia's Diplomatic Relations with Japan', pp.8-9.

Last in the proceedings of the evening, Makino in an eloquent speech explained the reasons for the Japanese amendment concluding that:

> It is not intended that the amendment should encroach on the internal affairs of any nation. It simply sets forth a guiding principle for future international intercourse. The work of carrying out this principle comes within the indisputable competence of the authorities. This amendment does not fully meet our wishes, but it is an attempt to conciliate the viewpoints of different peoples the result arrived at after a thorough and mature consideration of various aspects and realities of present international relations.[3]

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[1] House, Diary, 11 April, 1919; cited in Intimate Papers of Colonel House, vol.IV, p.439-40.

[2] Ibid., foot-note 1; see also Walworth, Woodrow Wilson, Book II, pp.300-01.

[3] 'Commission of the League of Nations', Proces Verbaux, 15th Meeting, 11 April, 1919; Garran Papers, C.A.O., CP 351/1, B/4.

He then proposed that the following clause should be included in the preamble of the Covenant: 'by the endorsement of the principle of the equality of nations and the just treatment of their nationals'. Cecil, whom observers remarked was greatly agitated and embarrassed[1] stated that he 'regretted that he was not in a position to vote for this amendment,' although 'personally he was in accord with the idea' put forward by the Japanese. However, he went on, the clause was either 'vague and ineffective or of practical significance'. In the latter case Cecil concluded, the clause would 'open the door to controversy and to interference in the domestic affairs of States members of the League'. Chinda's reply to this was quite blunt and carried the implied threat of rejection of the League by Japan:

> Japanese public opinion was so strongly behind this amendment that he asked the Commission to put it to the vote. If the amendment were rejected, it would be an indication to Japan that the equality of members of the League was not recognized and, as a consequence, the new organization would be most unpopular. The formula which he proposed was of great importance and the national aspirations of Japan were depending on its adoption. Public opinion in Japan was very concerned over this question and certain people had even gone so far as to say that Japan would not become a member of the League of Nations unless she were satisfied on this point.

The remainder of the speakers were all in sympathy, Venezelos of Greece pointing out that it would be difficult to reject such a clause as it had been divested of racial connotations and now simply was a statement endorsing the equality of nations and 'nationals'.

Wilson ignored the feeling of the meeting and took up Cecil's line of argument. As the whole basis of the League was a recognition of the equality of nations, it was unnecessary to include the Japanese amendment. Further, 'controversies' were 'bound to take place outside the commission' over the Japanese proposal. For both these reasons he thought it would 'perhaps be wise' not to insert such a provision in the Preamble. We should note that House, who was not an unbiassed source on this issue, has recorded in his Diary that:

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[1] Miller, My Diary, 11 April, 1919, vol.I, p.244-45.

> The President was for accepting it, but Cecil, under instructions from his Government, could not; and since I knew that Hughes would fight it and make an inflammatory speech in the Plenary Session, I urged the President to stay with the British, which he did.[1]

Makino pressed his case and requested a vote which resulted in eleven of the seventeen votes being case in favour of the Japanese proposal. Miller records that House pushed a note across to the President: 'The trouble is that if this Commission should pass it, it would surely raise the race issue throughout the world'.[2] Wilson acted quickly. He announced that the proposal 'was not adopted' as it had not received the unanimous support of the Commission. The French pointed out that a majority had voted in its favour. House noted that 'if the French had wished to press their opposition to the Monroe Doctrine amendment on this principle, they might have blocked its insertion in the Covenant'.[3] Thereupon the Japanese wisely asked that the number of affirmative votes should be recorded in the procès verbaux.[4]

Hughes in his brief report to Watt a few days later informed him that the Japanese had been told by Wilson that the rejection was 'entirely owing to Australia's opposition and that he personally was quite in favour of it'. Hughes was disgusted with such a pusillanimous attitude, labelling him, 'Mr. facing-both-ways'.[1] Watt was alarmed that Australia appeared to be shouldering the blame alone. He informed Hughes that comments in the Japanese press indicated, irritation, ill-will, and 'bade no good' feeling towards Australia. He had been supplied with information, probably from Piesse by its content and tone, that the 'Japanese Military party' had spread this view which would help revive its declining stocks.[2]

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[1] House, Diary, Intimate Papers of Colonel House, vol.IV, p.444.

[2] Miller, My Diary, vol. VIII, p.268a.

[3] House, Diary, Intimate Papers of Colonel House, vol.IV., p.444.

[4] Procès Verbaux, Commission of the League of Nations, 11 April, 1919; C.A.O., CP 35/1, B/4. The above has been based on this account.

Whether or not Watt's cable prompted Hughes into action, he quickly sought out the Paris correspondent of Asahi, an influential and widely read Japanese newspaper, and at great length elaborated the Australian case which he telegraphed to Australia. Hughes bluntly blamed the rumour that Australia alone was responsible for the failure of the Japanese proposal, upon a nation that:

> opposed the Japanese amendment of the League covenant or at least did not support it and yet pretended to be a nation friendly to Japan, and, hiding behind Australia, wanted to have it falsely said that the responsibility for the rejection of the race equality claim rested in Australia alone.[3]

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[1] Hughes to Watt, 15 April, 1919; C.A.O., CP 360/8/4. Wilson abstained from voting, being the Chairman which was convenient and Smuts was absent - a 'noticeable' omission.

[2] Watt to Hughes, received in Paris, 1919; C.A.O., CP 368/8/4. Piesse supplied Watt with his Memoranda and Minutes at regular intervals; e.g. Piesse to Watt, 22, 28 April, 1919, C.A.O., 447/2, S.C.229.

[3] Hughes to Watt, 17 April, 1919; C.A.O., CP 360/8/4; the Melbourne Herald, 17 April, 1919, carried the barest reference to this important interview. The full text is in the Piesse Papers, C.AO., CRS 2219, vol. VII, on which the following is based. It was published in the Japan Advertiser, 17 April, 1919.

As the 'Japanese people were not fools', Hughes continued, but 'shrewd and intelligent people' he expected they would be able to deduce the motives of those who 'circulated such a doubtful rumous'. Moreover Japan was a great Power and recognized as such. As far as Australia's traditional policy was concerned - a discreet reference to White Australia - he pointed out that the whole world was aware of it and the inclusion of their proposal would have given a 'death blow to the industrial development of our Australia in a broad sense'. 'Industrial conditions' had been recognized as 'purely domestic affairs' and each nation had its own institutions, traditions and standards of living, he believed therefore, that each nation should 'perfect their particular destinies, each separately' but at all times engaging in mutual co-operation, friendship and a will to maintain the peace of the world. 'If it is necessary, Australia will not grudge to join arms with Japan under the League of Nations to fight for the common cause'[1]

Hughes believed he had adopted the right course over the issue and that he may well have scotched the rumour:

> My interview has greatly pleased Japanese here, who prefer straight-out opponent to those who promised them support or led them to believe they would support. Makino's eyes now opened to that truth, and he knows that if Wilson had had courage to vote for them, or to accept two to one majority vote, their amendment would have been inserted. Do not worry.[2]

The Prime Minister may not have been worried but Murdoch clearly was most concerned. On this point and at this stage Murdoch differed from his 'mentor' on how the Japanese question should be handled. In the week or so following the vote Murdoch questioned the wisdom of Hughes's intransigence on the issue. 'There is a hard stubborn feeling here that Australia's handling of the Japanese question has not been statesmanlike' Murdoch claimed. In the end, 'the phrase was so empty that nations rushed to support it'. The Foreign Office, he was informed, supported it and Lloyd George instructed Cecil that if Australia would not accept the clause 'the whole weight of the British delegation must be put against it'. It appears, wrote Murdoch, that Hughes, suffering from a bout of insomnia, was in bed on the crucial evening session on the League.[1] As for the United States, Murdoch avowed, Lloyd George put the greatest of pressure on them to choose between Japan and Great Britain. The Americans were divided: Lansing opposed the emasculated phrase while House and Wilson were 'glad to have the Australian opposition as an excuse for turning it down'. Murdoch believed the proposal was simply a protest, a recognition of racial equality rather than a clause calculated to presage an assault on the immigration policy of Australia. Thus he believed Hughes had been most unwise to heap the pent up frustration and anger over racial discrimination, upon the heads of Australians.[2]

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[1] Ibid.

[2] Hughes to Watt, 17 April, 1919; C.A.O., CP 360/8/4.

Beilby Alston of the Foreign Office, sent Munro Ferguson a copy of Hughes's interview with the Japanese correspondent. Sir Ronald Macleay, minuted that Hughes's accusations obviously were directed at the United States. Hughes, he went on, considers that the Americans were 'hiding behind Australia and had displayed 'a lack of courage in not openly opposing' the Japanese proposal. While he was not prepared to comment on this assertion, P.J. Baker of the Foreign Office denied the claim. He believed 'their meaningless formula was written by (and therefore acceptable to) Sir Robert Borden; its intention was merely to satisfy the national pride and susceptibilities of the Japanese peoples'.[3]

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[1] See above, where the Japanese Delegation claimed that during the day they had seen Hughes 'in his seat at the Plenary Session on the 11th'.

[2] The Melbourne Herald, 16, 17, 21 April, 1919.

[3] Alston to Munro Ferguson, 24 April, 1919; minutes by Macleay and Baker, 16 April, F.O. 608/211/12490.

Cecil in his report to Lloyd George expressed his disappointment in Smuts's absence as Smuts had conducted the prior negotiations:

> I was left to oppose proposals of the Japanese Delegates: They wanted it adopted for same reason Wilson wanted Monroe Doctrine Articles: satisfy public sentiment in their country. They proposed the Borden formula....

Cecil was apprehensive that, since the commission supported the proposal so firmly, the Japanese would raise the issue once again at the final session at the end of the month. Britain would be placed in the difficult position of opposing her Japanese Ally on an issue on which the 'Conference will be overwhelmingly against us'. As an afterthought, he added a forlorn post-script: 'Possibly Hughes might reconsider his attitude'.[1]

There is in the British assessment no indication to substantiate Keith Murdoch's belief that Lloyd George placed any pressure let alone extreme pressure on the American President. The British Prime Minister had left the issue to Cecil, a Conservation M.P., former Under-Secretary for Foreign Affairs, and now responsible for handling League of Nations affairs. Lloyd George hardly mentions the issue in his Truth about the Peace Treaties. However, in his brief comment, it is clear that he believed the proposal was aimed at 'the restrictions and disabilities which were imposed by certain States against Japanese emigration and Japanese settlers already within their borders'.[2]

The Americans were most disturbed at the possible effects of Hughes's interview. It was Makino, presumably seeking an explanation, who brought House's attention to Hughes's rebuttal.

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1. Cecil to Lloyd George, 15 April, 1919; Lloyd George Papers, House of Lords Record Office, MSF/6/6/29. No reason is given for Smuts's mysterious absence.

2. p.636.

According to his son-in-law and secretary, Gordon Auchinloss, House sent a cable to the United States Ambassador at Tokyo, to be 'used discreetly with the Japanese Foreign Office'[1] denying any responsibility by the United States and indeed placing the blame squarely on Hughes. David Hunter Miller records that he saw the cable, which also stated that 'the Americans would have accepted' the Japanese amendment but the British flatly refused it. 'Unquestionably', Miller concluded, 'it was Hughes's opposition that killed it'.[2] However, as I have pointed out, the critical factor with the Americans was the prospect that the west coast of the United States would not accept such a decision. Admittedly, Hughes had made it clear he would not hesitate to appeal to American public opinion.[3]

The 'Racial Equality' issue ultimately was settled at the plenary session on the League of Nations on 28 April and was determined by the interplay of Japanese, British, and American aspirations and diplomacy. Inasmuch as the 'secret treaty' of 1917 between Britain and Japan, by which Britain agreed to support Japan's claim to the North Pacific Islands and Shantung, was the basis of the Japanese expectations, the British were involved. Hughes and Australia were not directly involved.

On 24 April the Italians withdrew in high dudgeon from the Conference in consequence of the Fiume question. At the same time it would appear, from the Foreign Office memorandum on the subject, the Japanese delegates had given notice that if

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1. Auchinloss Diary, 17 and 18 April, 1919, Yale University Library, Auchinloss Papers, Drawer 55/88-191; seen by kind permission of L.F. Fitzhardinge, 'Hughes Annex', N.L.A. See Walworth, Woodrow Wilson, Book Two, p.231n., for biographical details. Auchinloss's law partner was David Hunter Miller. See also Inger Floto, Colonel House in Paris, (Denmark 1973) for the latest published view of this controversial figure.

2. Miller, My Diary, 17 April, 1919, vol. I, pp.257-8.

3. See A.W. Griswold, The Far Eastern Policy of the United States, (New York, 1938), pp.251-2 which supports this view.

their aims with regard to Kiaochow were not allowed, they would withdraw from the Conference.[1] The next day, the Council of Three discussed the matter. Lloyd George proposed that Balfour should be asked to talk to the Japanese. He did so and personally reported to the 'Big Three' on the twenty-eighth. He had seen Makino and Chinda on the Saturday:

> Baron Makino had come again to see him on Sunday evening. With great delicacy but perfect clearness he had indicated that Japan wanted a decision on the Japanese claims as a whole. He had pointed out that Japan was asked to agree to the League of Nations although she could not obtain recognition of her claims for equality of treatment. He did not want to make trouble, but public opinion in Japan was very much concerned on this question. If Japan was to receive one check in Shantung and another check as regards the League of Nations the position would be very serious. Consequently, it was very important to obtain a decision on the question of Shantung before the Plenary Meeting to be held the same afternoon on the subject of the League of Nations. He understood that if Japan received what she claimed in regard to Shantung, her representatives at the Plenary Meeting would content themselves with a survey of the inequality of races and move some abstract resolution which would probably be rejected. Japan would then merely make a protest. If, however, she regarded herself as illtreated over Shantung, he was unable to say what line the Japanese delegates might take.[2]

Lansing, the Secretary of State, in his own published account believed that as a result, a bargain must have been struck with the Japanese:

> Later in the morning (the 28th April) the President telephoned me and I informed him of the fixed determination of the Japanese to insist on their claims. What occurred between the time of my conversation with the President and the plenary session of the Conference on the Preliminaries of Peace in the afternoon, at which the Covenant of the League of Nations was adopted. I do not actually know, but the presumption is that

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[1] See Mantoux, Council of Four, 18 April, 1919; Ashton-Gwatkin, 'Racial Discrimination and Immigration', 10 November, 1921.

[2] Balfour, Minutes of Council of Four, 28 April, 1919; U.S. Foreign Relations, P.P.C., vol. V, p.317. See also, E.T. Williams, 'Japan's Mandate in the Pacific', for a participant's later account. Griswold, The Far Eastern Policy of the United States, pp.246-68 which discusses the implications of the Shantung issue on American policy at the Conference.

> the Japanese were promised a satisfactory settlement in regard to Shantung, since they announced that they would not press an amendment on 'racial equality' at the session, an amendment upon which they had indicated they intended to insist...From all this I am forced to the conclusion that a bargain has been struck by which the Japanese agree to sign the Covenant in exchange for admission of their claims.[1]

As E.T. Williams, the President's Far East expert at the Conference concluded, the Japanese 'obtained the assurance they wanted as regards Shantung'.[2] House recorded in his Diary that Balfour, the intermediary for the 'Big Three' with the Japanese delivered that assurance to them.[3]

Murdoch reported that 'it was with gloomy forebodings' that the plenary session convened at 3.00pm. 'The Italians were absent, the Japanese truculent and the French were scornful'.[4] He had previously published that the French were furious with Wilson over his refusal to entertain their amendments to the Monroe Doctrine.[5] Garran who was present at the afternoon session noted the care with which Wilson avoided even mentioning the term 'Monroe Doctrine' when it was expected that he would offer some explanation for the reservation. Garran recorded that he simply stated: '"Article XXI is new"'. The Frenchman Mantoux, however, was determined not to let Wilson get away so easily. Garran's own account eloquently re-captures the drama:

> It was the only occasion I have known Mantoux, in his translation to add something which the speaker hadn't said. He said "Article XXI, relative à la doctrine Monroe est nouveaux". And Wilson nearly blushed.[6]

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[1] Lansing, The Peace Negotiations, p.228, cited in Ahston-Gwatkin, 'Racial Discrimination and Immigration', p.19.

[2] Williams, 'Japan's Mandate in the Pacific', p.435.

[3] House, Diary, 26, 28 April, 1919; Intimate Papers of Colonel House, vol.IV, pp.465-70.

[4] Murdoch, 28 April report from Paris.

[5] Ibid., 17 April, 1919.

[6] Garran, Diary, 28 April, 1918; Garran Papers, N.L.A., MS 2001/7/294.

Colonel Stephen Bonsall recalled that the Japanese warmly supported the Americans on the issue. He believed that Makino who, 'seems to be walking on air', must have considered the reservation regarding 'regional understandings' such as the Monroe Doctrine, as even more important than the 'race equality' proposal and the settlement of the Shantung problem. Bonsall commented to House that it would mean a 'tacit recognition of the Okuma - Ishii doctrine which confers on the Japanese much the same guardianship over East Asia' as the Americans asserted over Latin America.[1]

Makino duly informed the plenary session that Japan would not 'press for the adoption of our proposal for the moment'. However, they reserved the right to raise the proposal at 'the League in the future'.[2] But as Bonsall noted, Wilson unobtrusively had slipped into article V a clause requiring a unanimous vote of those present at a meeting before a decision could be accepted. Bonsall saw this as a retrospective sanction for Wilson's ruling on the Japanese proposal. But of more importance, it was plain that the Japanese could not re-introduce the proposal at the League with any hope of success as long as an 'Australian Delegate was present.[3] That Hughes appreciated the significance of the clause was made quite transparent by his pencilled minute on his copy of the draft of the Covenant beside the clause: 'All decisions to be unanimous!'[4] The Americans evidently had been alarmed right up to the last minute that Hughes, 'the weird P.M. of Australia' as Bonsall so ungraciously described him, would actually deliver 'the anti-League speech in open session which he had been threatening during the winter' and that the French delegates would do much the same over the 'Monroe Doctrine'. There was no need for the Americans to be alarmed as Clemenceau's 'masterly handling' of the session ensured that there would be no possibility of a filibuster. '"The Tiger" certainly knew how to manipulate the "steam roller" in the best traditions of our Party Conventions', Bonsall observed with obvious satisfaction and relief.[1]

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[1] Bonsall, Unfinished Business, (London 1944), pp.164-5; see Fifield, Woodrow Wilson and the Far East, pp.171-2.

[2] Plenary Session, 28 April, 1919; Garran Papers, C.A.O., CP 351/1/14.

[3] Bonsall, Unfinished Business, p.193.

[4] Hughes, marginal minutes, 'Draft of Covenant of League of Nations', n.d.; Garran Papers, C.A.O., CP 351/1, B/4.

Munro Ferguson hastened to assure Lord Milner that Hughes's attitude as expressed at the Conference reflected the views of the Commonwealth Ministry and public opinion with respect to the admission of Japanese into the Continent. As well, Australian governments, in his time, had shown a marked indisposition to enter into direct relations with Japan as regards commerce. Hughes appreciated that 'acquiescence by Japan in anything and everything which is desired by Australia (or her Labour Unions) is of course guaranteed by the British Fleet'. The whole country was well aware that the British Navy was the guarantor of the 'White Australia' policy. It may well account, concluded the Governor-General, for Hughes's lukewarmness towards the idea of the League of Nations'.[2] How far Hughes's actions were dictated by the certain knowledge that the dismantling of Australia's traditional policy would lead to political extinction is difficult to assess. However, that he did not underestimate the force of the Australian Labor Party's views is indicated by their platform for the elections of December:

> The Asiatic Menace.
>
> The "Nationalist Government failed absolutely to stand for a White Australia, and no satisfactory explanation has been given of the secret arrangement whereby Japan gained a footing in the

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[1] House. Intimate Diary, pp.446-7; Bonsall, Unfinished Business, p.192.

[2] Munro Ferugson to Secretary of State for Colonies, n.d., pencil draft only; Novar Papers, N.L.A., MS 696/6632.

> Caroline and Marshall Islands. Through its unsound policy in the Pacific it has given a great and ambitious nation a base within easy reach of our shores, defaming Australia instead of directing its attention to protecting Australia's interests.[1]

In the light of Hughes's vigorous attempts to preserve Australia's interests on both counts the accusation was hardly deserved. The critique though, does serve to explain the intransigence of Hughes on these issues.

While Munro Ferguson accepted Hughes's objectives he was surprised that the Prime Minister's ingenuity could not 'frame a clause which just fitted the situation' for he warned him against drawing Japan's enmity upon the Commonwealth:

> The Rising Sun is I fear a more formidable luminary than the Spangled Stars. It is very desirable that Australia should not be inscribed permanently - as a result of the Peace Conference - in the Black Books of "the little brown men of Japan".[2]

Eggleston too, deprecated Hughes's methods. I have already noted that he was a whole-hearted supporter of the objectives of the Prime Minister. In his review of Hughes's 'performances' at Paris which was published in the New Statesman, he applauded the fact that Hughes offered to accept the Japanese proposal provided they in turn accepted a clause 'saving the rights of all nations to control immigration into their territories'.[3] Later in the year Eggleston followed this up with yet another article which surveyed the dangers of 'racial competition' within the 'one political system'. As for Australia he concluded, 'all Europeans may count on finding a congenial home in her continent'. Eggleston turned to Hughes's methods. It was becausee of his intransigence that he was labelled the enfant terrible of the Conference. But more important, the 'skilful diplomacy' of the Japanese manoeuvered him into fighting on a battleground of their own choosing. Subsequently, 'a more skilful diplomat than Mr. Hughes persuaded the Japanese not to move their amendment in the plenary session, but to make a formal protest'.[1] This would appear to be a reference to the last minute mediation by Balfour who also failed to appreciate Hughes's forthright style. Miller records that as Hughes rose to speak on one occasion at the Conference, Balfour was heard to mutter:

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[1] 'Manifesto of the Australian Labor Party to the People of the Commonwealth', for the General Elections, 13 December, 1919, signed by F.G. Tudor, Leader, E.J. Holloway, Chairman, and T.J. Ryan, Federal Campaign Director.

[2] Munro Ferguson to Hughes, 29 April, 1919; Novar Papers, N.L.A., MS 696/2794.

[3] Eggleston, 'An Australian view of Mr. Hughes in Paris', New Statesman, 10, January, 1920.

> "Que je le déteste".[2]

On the former criticism, the anonymous author of a Round Table article, supported Eggleston. The writer[3] considered the Japanese proposal could have 'meant more' than just an affirmation of a principle but it would have been far better to have fought the issue on a more congenial ground. A positive resolution affirming the right of a state to resolve upon the type of people whom it would admit as permanent residents and settlers, the author believes, would have gained 'an almost unanimous vote in Paris'.[4] If Hughes was remiss on this, then so were all the other statesmen. However our anonymous author has neglected to recall that the general consensus of opinion at Paris was to regard immigration as a domestic matter and therefore outside the scope of the League's jurisdiction.

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[1] Ibid., 10 July, 1920.

[2] Miller, My Diary, vol.I, p.123. The occasion was 'a few days after 9 February'.

[3] 'White Australia', n.n.; Round Table, vol.XI, 1920-21; Eggleston was a contributor to this journal, and a member of the 'Round Table' Group in Melbourne so that this article could be one of his own.

[4] Ibid.

An earlier article in the Round Table which dealt with his overall performance at the Conference, commented on his abrasiveness and the 'combative element in Mr. Hughes's character' which was so prominently on display in Paris. But it appealed to the Australian soldier:

> Mr. Hughes is himself a Digger, and understands their mentality better than anyone. They approve of and delight in public acts which from the point of view of the old diplomacy would be regarded as highly dangerous. The more Mr. Hughes brandishes his fist in the face of other nations the more the Digger approves. The combative element in Mr. Hughes's character has entirely won them, and he can rely upon them for a very large measure of support in anything he undertakes.

Indeed it 'took courage' to stand up to the Japanese and this 'readily commands the respect of Australia'.[1]

Piesse, as one might by now expect was quite critical of Hughes's basic approach to the handling of the Japanese on the 'White Australia' policy. But he was just as critical of the Shantung settlement as he was of Hughes:

> I withdraw all my optimism about our future relations with Japan. We shall need all our wits to look after ourselves now.
>
> It is hard to understand from this distance how the Powers have come to concede Japan's dem ands in China. Apart from the circumstances of the moment (such as the situation as to Italy) I suppose it is at bottom an index of the ruin of a large part of Europe. But how is American's attitude to be explained.
>
> The whole business in Paris seems to have gone badly for us, from our apparent lack of cordiality towards the United States to the barren victory over racial discrimination. How much better it would have been to accept the Japanese amendment in one of its least noxious forms and rely on the opportunities the Covenant of the League gives to protect ourselves from any unfavourable interpretation. As it is we have been perhaps

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[1] 'The Return of Mr. Hughes', September, 1919; Ibid., vol.X, 1919-20, pp.180-85.

> the chief factor in consolidating the whole Japanese nation behind the imperialists - and it needs little imagination to see how serious that may be with Japan's new assured opportunities for expanding her power through China's resources.[1]

Professor Murdoch, however, reminded Piesse that Hughes's 'amended attitude is more promising than his original one and matters may adjust themselves'. He believed that in view of the contretemps with Japan, 'any misunderstandings with America are to be deprecated'.[2] There is no doubt that the criticisms by Piesse and Murdoch are understandable but in view of Wilson's ideals and insistence on a League of Nations the natural 'alliance' between the United States and Australia on Pacific affairs could hardly have eventuated at Paris. Hughes had done his best in June 1918 to confer in privacy when he sought out the President, but was met with a 'stony silence'. He had kept silent for the greater part of the War on the perils he perceived in the Pacific that had been the result of a British policy that had gone awry. Now at the Peace Conference on Mandates, Reparation, and above all 'White Australia', he judged he could no longer keep his peace. Once Wilson promoted the 'Fourteen Points', 'no annexations and no indemnities' and the League of Nations, the natural 'alliance' based on a harmony of interests in the Pacific was impossible.[3]

Professor Murdoch however, sympathised with Hughes in the problems that had faced him. He confided to Piesse that:

> Hughes is a strange medley of inconsistencies; but he hits the nail on the head now and then; and his view of the League of Nations may not be so far amiss.[4]

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1. Piesse to Latham, 7 May, 1919; Piesse Papers, MS 882/5/25.

2. Professor J. Murdoch to Piesse, 22, 24 April, Piesse Papers, N.L.A., MS 882/5/15, 16.

3. See Cynthia Hicks, 'The Impossible Dream: Australia, the United States and the Post-War Settlement of 1919'; M.A. thesis, A.N.U., 1972.

History would record that he was indubitably correct on the League of Nations and indeed that he more often than not had 'hit the nail on the head' at Paris. Murdoch, a specialist in Japanese, certainly believed that the 'racial equality' issue was a 'stalking horse' for Shantung and that this 'traditional style' of Japanese diplomacy had carried the day. But they appeared also to have gone a long way in securing their 'ancilliary demand' on 'racial equality', Murdoch observed, and thus had scored a resounding 'moral' victory even here.[1] The *Argus* reported that the Japanese delegates when quizzed as to why they persisted in pressing the point when their proposal had been whittled away to almost nothing, replied: 'What would be nothing to Western people was a concession of first rate importance to them'.[2] Hughes wrote his own epigram to this in the margin of his copy of Lloyd George's book, *The Truth about the Peace Treaties*, opposite the brief paragraph on 'racial equality: 'To L-G a grain of sand: to W.M.H. Mt. Everest'.[3]

V. The Signature of the Treaty and the Treaty of Guarantee.

Apart from the major issues of the Colonies, Reparation, and the 'Race Equality' clause, Hughes was involved in a number of other issues. Of these, the chief matters of importance for this study were the question of economic co-operation with Germany, the Treaty of Guarantee, the actual signature of the Treaty, and last, though by no means least in the eyes of Australians, the Imperial War Graves Commission with respect to the Gallipoli graves. Hughes on this last matter was prepared to consider the violation of the graves as a casus belli some three years later when the Chanak crisis blew up.

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[1] *Ibid.*, n.d; Piesse Papers, N.L.A., MS 882/5/17.

[2] The *Argus*, 16 April, 1919.

[3] See Fitzhardinge, 'W.M. Hughes and the Treaty of Versailles, 1919', p.141.

At a meeting of the British Empire Delegation in June, Lloyd George, in keeping with his policy of moderation, proposed that a general undertaking should be given to Germany that every facility would be offered to assist in the resumption of her industry. 'This course', the Prime Minister explained, 'would be as much in the interest of the Allies as in the interest of Germany'.[1] There was a chorus of objections from the Dominions and the Conservative Leaders, Bonar Law and Balfour, leaving Lloyd George very much in the minority. A number of modifications were suggested but it was obvious that on this issue there would be great difficulty in gaining unanimity. The meeting saw all sorts of implications in the use of the word 'assist'. They were prepared to consider a statement which declared that the Allies would not hamper Germany's recovery. Hughes had spoken up during the meeting and afterwards drew up a minute on the question. As he concluded:

> Rather than grant this, I would waive indemnities other than restoration. I don't mind Germany getting raw materials but cannot agree to being bound to let them have them at the same condition and prices as Britain and France.[2]

Hughes saw the proposal as an attack on the fiscal autonomy of the Allies. He cabled his horror to Watt, his Treasurer. He argued that the proposals had never been a part of the reparation arrangements and had been mentioned 'in a most casual way as if it were nothing'. For Hughes it was basic and went to the 'very root of the future of Germany, the Allies, and of Australia above all'. He had not spent his efforts during the War to rid Australia of German economic influences to see her regain that position at Australia's expense:

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[1] B.E.D., 35, 10 June, 1919; Garran Papers, C.A.O., 351/1/, B/4. The issue had been raised as early as March; B.E.D., 12, 3 March, 1919.

[2] Note by Hughes, 10 June, 1919; Garran drew up a Memorandum for Hughes to be sent to Balfour; Garran Papers, N.L.A., MS 2001/11/16 and 30.

> What it means is obvious. It takes from us our right to sell or refuse to sell, to whom we like, to make discriminating tariffs against Germany. She can buy on our metal Exchange and at our wool sales. France cannot work her woollen mills for a year at least, for the Germans have destroyed them. Germany can do so tomorrow. If we accepted this, we should be compelled to give Germany everything we gave France and even England, Germany would get in our metals again... although we are up against the Fourteen Points we cannot give way.[1]

Two days later, he reported that a modified version had been approved by the Council of Four and thus would be included as an economic clause in the Reparation section of the Treaty. He now pointed out the twin terrors contained in the proposal: 'What we give to Germany our enemy we cannot refuse Japan our Ally'.[2] Watt cabled his support. Australia considered herself free to dispose of her raw material as she wished. He believed Parliament would refuse to sign the Treaty and the Government would not invite the Parliament to sign.[3]

However, despite Hughes's objections, some days before the great occasion for the actual signatures, he cabled to Watt that 'despite objectionable points in the Treaty' Australia should sign as 'nothing else is possible'.[4] It was an important and historic occasion for Australia. For the first

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1. Hughes to Watt, 13 June, 1919; C.A.O., CP 360/8/4.
2. Ibid., 13 June, 1919.
3. Watt to Hughes, 20 June, 1919, Ibid.,
4. Hughes to Watt, cable, 25 June, 1919; C.A.O., CRS 1108, vol.V.

time its 'plenipotentionaries in respect of the Commonwealth of Australia' signed an international treaty. Her new status had thus been recognized. Although the Dominions had signed as a British Empire group they had signed individually. They were, as well, recognized as member states of the League of Nations and thus confirmed their newly acquired status.[1]

Hughes had regularly informed Watt that the Treaty was subject to the Australian Parliament's approval. As he commented to Watt on his voyage back to Australia: 'It is for Parliament to deal with it as it thinks fit'.[2] Watt had just as regularly reminded Hughes of this. At the very end Watt had reminded him that this undertaking to Parliament had to be honoured.[3] But first Cabinet handled the matter. In a decision recorded by Cabinet, 'the action taken in connection with the appointment of the Prime Minister and Sir Joseph Cook as plenipotentionaries' to sign the Treaty was approved.[4] As we have seen, Hughes led the debate on the Treaty in Parliament in September. It was duly approved without amendment on 19 September, 1919.[5]

At the same time as Hughes had introduced the Treaty to the Parliament he also introduced the 'France: Anglo-American Treaty', often referred to as the 'Treaty of Triple Guarantee':

> That this House approves the Treaty made at Versailles on the 28th June, 1919, between His Majesty the King and the President of the French Republic, whereby, in case the stipulations relating to the left bank of the Rhine, contained in the Treaty of Peace with Germany, signed at Versailles on the 28th day of June, 1919, by

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[1] See Latham, The Significance of the Peace Conference, and Duncan Hall, Commonwealth, chapter X, pp.271-84.

[2] Hughes Durban to Watt, Durban, 4 August, 1919; C.A.O., CRS A 1108, vol.L.

[3] Watt to Hughes, 4 August, 1919; Ibid.

[4] Typed statement 15 August, 1919, recording the Cabinet decision. Under the rules operating at the Archives, readers must obtain special permission to gain access to such decisions; C.A.O., CRS A1108, vol.L.

[5] Votes and Proceedings, no.156, 19 September, 1919.

> the British Empire, the French Republic, and the United States of America, among other Powers, may not at first provide adequate security and protection to France, Great Britain agrees to come immediately to her assistance in the event of any unprovoked movement of aggression against her being made by Germany.[1]

Back in May, Lloyd George explained to Hughes that Clemenceau had been informed that the above undertaking had been recommended by Balfour and himself to the British Parliament. President Wilson had signed a similar undertaking.[2] As Lloyd George explained, the guarantee would only come into force for Great Britain when the United States had also ratified. There was no obligation on the Dominions. It was left for the Parliament of each Dominion to decide whether to follow Great Britain. As the United States did not ratify the Treaty, the guarantee never operated.[3]

The question is of interest to us in that Hughes unquestioningly supported Great Britain. The Australian Parliament approved the Treaty of Guarantee without a division on Hughes's motion, on the same day that it ratified the Treaty.[4] Other Dominions were not so forthright. Massey had informed Lloyd George that his request would be honoured by New Zealand. Borden simply acknowledged the request but Botha clearly was relieved that the Dominions were not automatically implicated. As he informed Lloyd George 'the status of independent nationhood' was confirmed in his own mind, for Great Britain could be at war in the future and the Dominions could stand out'.[5] Borden, in the British Empire Delegation debate 'feared that Canadians would be reluctant to accept such a commitment'.[1] He had already expressed Canada's reservation with respect to article X which implied that when the League was at war, all were at war.[2] The Chanak incident was to prove his point.[3]

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[1] C.P.D., vol. LXXXIX, 10 September, 1919.

[2] Lloyd George to Hughes, 10 May, 1919; Hughes Papers, N.L.A., MS 1538/136/2.

[3] See Nelson, Land and Power, pp.222-47.

[4] C.P.D., vol.LXXXIX, 19 September, 1919.

[5] Botha to the Prime Minister, 15 May, 1919, Massey on 12 May and Borden on the eleventh; Milner Papers, Bodleian Library, MS Eng. Hist. C700, ff.220-221.

Close by Chanak were the graves of the Australian soldiers who fell at Gallipoli. Back in March Hughes had requested that the Treaty of Peace with Turkey should include a clause which would ensure that the authority of the Imperial War Graves Commission over the graves of Australian and other Dominion troops on the Gallipoli peninsular would be guaranteed. He proposed:

> That the whole site of Anzac camp, trenches and battlefields, including the Turkish trenches on the obverse slope adjoining be vested in perpetuity in the Imperial Graves Commission, its successors and assigns.

C.E.W. Bean, Australia's eminent War historian and an official War correspondent had re-visited the Peninsula and had submitted his proposals for the site. They were accepted with minor modifications by Senator Pearce, the Defence Minister.[4] Lloyd George at the end of the month was able to confirm Hughes's original proposal. The Ottoman Government had signified its acceptance of the terms. As I have indicated, the threatened violation of the graves, was enough to evoke a casus belli during the Chanak crisis in 1922. Indeed this crisis was the 'last post' for Hughes in his interventions in international affairs as Prime Minister of Australia.

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[1] Borden, B.E.D., 3 May, 1919; cited in Nelson, Land and Power, p.246. See Duncan Hall, Commonwealth, p.262.

[2] Borden, B.E.D., 26, 21 April, 1919. See Duncan Hall, Commonwealth, p.283.

[3] See below, Chapter Four, IV. Hughes to Lloyd George, 19 March , 1919; Lloyd George Papers, House of Lords Record Office, MS F/28/3/13.

[4] Pearce to Hughes, cable, 4 April, 1919; C.A.O., CP 290/3/1.

'WHO ARE OUR GIANTS: A MAN OF PERSONALITY.

...The face and personality of Mr. Hughes went everywhere. No man of his time has been at once so hated and so affectionately regarded.... Lord Riddell told me at the Peace Conference that one day in London, some years before, Lloyd George greeted him with: "Come to breakfast with me to-morrow; I want you to meet the most remarkable little man alive". The little man was Hughes'.[1]

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[1] H.S. Gullett, Sydney Morning Herald, 4 August, 1923.

CHAPTER FOUR. COUNCILS OF EMPIRE

I. New Guinea

(a) The Expulsion of the Germans

> "....Me been talk with you now, now you give three good feller cheers belongina new feller master. NO MORE 'UM KAISER. GOD SAVE 'UM KING'.[1]

Throughout the War and especially in the post-war period Australian aspirations, expectations, and policy did not always co-incide with the British view on New Guinea with respect to the property of the German planters, traders, and residents. The origins of this divergence can be traced back to the terms of the capitulation. The Australian Government considered the terms 'unduly advantageous to the enemy'. Hughes, then Attorney-General in Andrew Fisher's Government, agreed that Holmes ought not to have allowed the German Governor and his officials the right to return to Germany but they should have been held as prisoners-of-war. Certainly he believed Holmes was completely out of order in the financial arrangements that he had allowed. The German officials were to be paid their salaries and allowed travelling expenses for their families back to Germany. The British Government was forced to conclude that Holmes's terms should be upheld on the question of repatriation to Germany, a point Hughes had anticipated, but that the financial arrangements could be discounted.[2] Pearce admitted in the Senate, when closely questioned by Senator Millen, the ex-Defence Minister, that the Government was 'not entirely happy'. He also intimated that 'the question of the Empire in its relation to International Law' was involved.[3] This was a guarded reference to the fact that the German capitulation or surrender was not an annexation nor was it unconditional.[1] Colonel Holmes, the commander of the Australian troops became aware of the displeasure of the Government and formulated a defence which he circulated to a small circle of influential figures, including Premier Holman of New South Wales. By this time, early in 1915, he had been relieved of his duties as Administrator, and thus his plea for support to Holman was penned from his office when he returned to the more mundane matters of the Sydney Water Board. Holman, though sympathetic, could not help.[2]

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[1] '"Proclamation". Read to the Natives on the Annexation of the late German Possessions in the Pacific Rabaul, September 12th, 1914'; British Administration - German New Guinea, Government Gazette, vol.1, no.2, 1 November, 1914, p.7, Holmes Papers, Mitchell Library, Uncat MSS 15/2.

[2] To the Minister, 22 September, 1919, forwarded by Garran, 22 September, 1919; Colonial Secretary to Governor-General, 18 November, 1919; C.A.O.,P 316/1/17.

[3] Pearce, C.P.D., (Senate) 3 December, 1914; an extrace in C.A.O., CP 316/1/11.

Holmes's generous terms had been based on the assumption that unless granted lives would be needlessly lost. There was an inhospitable terrain which contained the scattered forces of his opponent hidden in the jungles. However, he was unaware of the overwhelming superiority of his troops in an protracted campaign. Above all, he knew that his task was to occupy and to carry on the administration, if possible, as an on-going concern. He therefore agreed to terms. He argued that he was not engaged on a:

> filibustering expedition despatched to conquer these parts, levy an indemnity...object of occupying the Islands with military garrisons until the conclusion of the war, when they would be retained as valuable British Possessions for colonising purposes.[3]

However, when one re-reads the actual brief from the Secretary of State it is possible to argue that there was an option open to him:

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[1] Terms of Capitulation of New Guinea, 17 September, 1914, signed by E. Haber, acting Governor and Colonial Holmes, Ibid.

[2] Holmes, Metropolitan Water Board, to Premier's Office, 11 April, 1915 and Premier to Holmes, 12 April, 1915; Archives of N.S.W. Premier's Office, 7/4697, file 15, 1197.

[3] Colonel Holmes, Memorandum on 'Terms and Conditions of Surrender of German New Guinea; Rabaul, 24 December, 1914, to the Minister for Defence; Holmes Papers, Mitchell Library, Uncat. MSS set 15/2.

> British flag *(should be)* hoisted in all territories successfully occupied *(and)* suitable arrangements made for temporary administration, but no prolamation formally annexing any such territory should be made without previous communication with His Majesty's government.[1]

But as the Secretary of State emphasised, 'any territory occupied now' was to be regarded as being 'at the disposal of the Imperial Government for purposes of the ultimate settlement at the conclusion of the War'. Similar instructions had been issued to the other Dominions.[2] With these latter instructions in mind, the criticisms of Holmes do appear unduly harsh. For example, Munro Ferguson commented to Harcourt that Holmes had distinguished himself by :

> giving the German Governor pretty well all he asked in the matter of the terms of surrender *(and)* has achieved a double notoriety by flogging Germans in the presence of other Germans.[3]

Keith, who was at the Colonial Office during the War, acknowledged that the terms were most generous but on the other hand 'Holmes was able to secure the objects for which he had stipulated.'[4]

Pearce informed the Colonial Secretary that the Australian Government was loath to allow Governor Haber and his officials to return to Germany but would comply with their instructions to do so, as the terms of capitulation were quite clear on the matter. After what Haber must have considered was an unusually lengthy delay he prevailed on the American consul to speed up his return to Germany.[1] Hughes as Acting Prime Minister had to inform the American Consul that arrangements were in hand for Haber's return. There is a note of triumph in the German press report on the eventual return of the Germans in January 1916 which was the result of:

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[1] 'Instructions to Colonel Holmes, Commanding Australian Naval and Military Expedition' signed J.G. Legge, Chief of the General Staff, 15 August, 1914; Ibid. My emphasis. The Germans surrendered unconditionally at Samoa.

[2] Secretary of State for Colonies to Defence Minister, 7 August, 1914; Ibid.

[3] Munro Ferguson to Harcourt, 28 December, 1914; Novar Papers, N.L.A., MS 696/1914; this latter point re flogging is dealt with below, in this section.

[4] Keith, The War Government of the Dominions, pp.129-30.

> favourable conditions obtained as is well known by acting Governor Haber which conditions leave the returned officials unreservedly free to undertake military service.[2]

The terms of the capitulation were to have far reaching consequences for the style of the war-time occupation and for the expectations of Australian officials. For example, the 'local laws and customs were to remain in force so far as is consistent with the military situation'.[3] During 1916 the Colonial Office emphatically pointed out the limited rights an occupying force enjoyed with respect to the property of the territories under military occupation. Now this was in marked contrast to the root and branch policy of extermination of German interests on the mainland of Australia. Hughes and Garran, as we have seen, had eventually proved eminently successful in eradicating enemy interests from Australian industry, and indeed, its society.[4]

As early as October, 1915 Bonar Law urged the Australian Government to supply his office with 'the names of suitable firms' in the Islands with which British firms could negotiate with a view to replacing German business interests.[5] Shortly afterwards, the New Zealanders in Samoa pointed out that the policy of allowing the German firms to continue business in Samoa would result in the exclusion of British interests in the post-war. In these circumstances Bonar Law advised the New Zealand authorities to embark on a 'conservative form of liquidation', the German firms retaining their 'goodwill, buildings and trade marks'. He believed Australian interests also might adopt a similar policy:

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[1] Haber, Sydney to J.P. Bray, American Consul General, 15 December, 1914; Hughes, Acting Prime Minister, to Consul-General for America, 3 January, 1915; C.A.O., CP 316/1/11. The terms were published in the Argus, 11 January, 1915.

[2] Deutscher Reichsanzieger, 17 January, 1916; Extract, supplied by Bonar Law, 10 February, 1916, Ibid.

[3] 'Terms of Capitulation', clause 9.

[4] On this latter point see above, chapter One, III.

[5] Bonar Law to Governor-General, 28 October, 1915; C.A.E., CP 316/1/11.

> Your Ministers may wish to consider whether having regard to the terms of capitulation similar action should be taken in case of this or other German firms in New Guinea and what steps can be taken to introduce as much British competition as possible before the end of war.[1]

Colonel Pethebridge,[2] Administrator of the Territory, appears to have been the first to raise doubts as to whether, he, as Administrator, was justified in implementing the proposal which Bonar Law had suggested in view of the precedent established in Samoa. Pethebridge informed Pearce that the terms under which Samoa was occupied by a British force were unconditional surrender. There was then, 'unfortunately a wide difference' between the terms which Holmes agreed upon and those which had been imposed on Samoa with respect to the status of German firms in New Guinea. Holmes had agreed to permit all German business firms as well as all planters to continue normally. The entry of any British firm under these circumstances would be fraught with great uncertainty in the face of the overwhelming German domination of trade. However he believed that as Administrator he ought to pursue a policy which would promote British interests.[3] A week later, Seaforth Mackenzie, the deputy Judge Advocate-General in the Territory, and an Australian, advised Pethebridge that the best way to achieve his object was to grant freehold lands up to 500 hectares at the 1914 price to selected Australians. Whatever happened at the conclusion of the War, that is whoever won, their interests would be protected as one of the conditions in the terms of a peace.[1] Pethebridge, however, discounted this suggestion throughout the War, as British policy in occupied territories did not permit the sale of crown lands. Further, he argued, the special provisions of the terms of the capitulation under international law would not permit it.[2] Pearce endorsed this assessment. By the end of the year Pethebridge had crystallized a policy which he believed would meet the complexities of the situation. The Germans he assumed would be required to go. This was best and indeed, essential, for two years experience convinced him that if they were allowed to remain they would be a constant menace. In the eyes of the natives, the British as conquerers would also lose greatly in prestige:

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[1] Colonial Secretary to the Prime Minister, 1 March, 1916; C.A.O., Melbourne, MP 367, file 404/11/362.

[2] He took over from Holmes early in January, 1915.

[3] Pethebridge to Defence Minister, 28 April, 1916; C.A.O., Melbourne, MP 367, file 404/11/362.

> Even as it is now, the whole situation is viewed with wonder by the natives - when they conquer an enemy they Kai-Kai him - and they cannot understand our toleration....The suggestion I desire to submit for consideration is that, having, by means of a Commission, determined the amount of compensation that is due to each German firm or property holder, those sums should be included in the indemnity which the German government is required to pay, and that ultimately Germany pay its own subjects.[3]

The proposal was put to Pearce and Hughes, who sought Garran's opinion. He concluded that the question of the expulsion of the Germans would depend on the terms of peace. He assumed it would be one of the terms thus Pethebridge's proposal would be of value in that the information would be required. Hughes minuted: 'I agree that all this must depend upon the terms of peace'.[1] That Hughes was very much aware of how important these terms were for Australia has already been indicated. There is little wonder therefore that he expostulated against the Wilsonian dictum of 'no annexations and no indemnity'. Even on the matter of the terms of the Armistice Hughes was right. He had argued that by the inclusion of the 'Fourteen Points', the terms of peace virtually had been settled. This was the burden of his complaint to Lloyd George over the exclusion of the Dominions from consultations with respect to the Armistice terms. What happened at Paris had proved him right on both counts. As Professor Murdoch had noted, Hughes 'hits the nail on the head now and again'. On these points it was more often than not.

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[1] Mackenzie to Pethebridge, 4 May, 1916; Ibid; Mackenzie is the author of the Official History on the subject: The Australians at Rabaul, being vol. X of Australia in the War. C.D. Rowley, The Australians in German New Guinea, (Melbourne, 1958), is the standard work on this subject.

[2] Pethebridge to Pearce, 7 May, 1916, with Minute by Pearce attached, 8 June, 1916; C.A.O., CP 447/3, Sc.30.

[3] Ibid., 25 October, 1916; C.A.O., Melbourne, MP 404/11/362. Kai-Kai is the Pidgin word for 'eat', or 'a meal'.

When Garran delivered his opinion he had already had the benefit of legal advice from the Colonial Office:

> My telegram 1st March, question arisen with regard to enemy firms in various occupied territories action taken. for consideration, with others, International Law. Essential from this point of view that all action should be justifiable on grounds of necessity for safety of occupying forces or of preventing funds reaching enemy countries for prosecution of war. Would be glad to be informed if possible as to the extent to which policy of liquidation actually has been carried out in German New Guinea and to receive Ministers observations on grounds upon which action taken could be defended on above lines in consideration of later question Ministers will no doubt take into account state of feeling native population as well as other elements.[2]

In a further opinion Garran observed that what had been carried out against German interests in Australia could not be carried out in New Guinea under the terms of the capitulation, nor was liquidation during the War defensible.[3] He conveyed this judgment to the Colonial Secretary:

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[1] Garran, Opinion, 'German New Guinea - Property Owned by Enemy Subjects In -Compensation Payable Upon Disposition', 17 October, 1917, with Hughes's Minute on 23 October; C.A.O., CP 447/1, item Sc. 116.

[2] Colonial Secretary to Governor-General, 22 November, 1916; C.A.O., CP 661/15/1.

[3] Opinion, 22 October 2927, Ibid.,

> re enemy firms German New Guinea my Ministers have given careful consideration to question but seeing that effective measures of financial control by Administrator have been introduced to prevent money being diverted for enemy purposes, and in view special terms capitulation and fact that Territory is merely under military occupation, Ministers doubt whether liquidation or restriction legitimate business of firms could be justified. Fostering British trade also to be considered. Terms capitulation Samoa and New Guinea not similar. Firms also to large extent have liens on small plantations.[1]

Between the Armistice and the Peace Conference Colonel Burns revived the dormant proposal for the erection of a Pacific trading company to take the place of the expropriated German properties. Munro Ferguson personally favoured the project and informed Long, the Colonial Secretary that Burns had discussed his scheme with the Colonial Sugar Company and Levers.[2] Burns forwarded to the Governor-General a provisional prospectus of what he hoped would be the 'British Australian Pacific Estates Limited'. The stated object of the company, estimated capital of five million pounds sterling, is illuminating:

> It is generally understood that the German colonies in the Pacific will not be allowed to revert to Germany....To ensure the future control of all the former German possessions in the Pacific...the Germans must be changed for British...the German element must be entirely deported...it would ever be a menace as all now know the questionable methods adopted by the Germans in War. Commerce and Industries...German Estates would be bought with the share capital giving the Company clear freehold title and this amount is to be considered a part of the indemnity payable by Germany and the individual plantations of owners would claim on the German Government....It was in the national interest...but also would be a satisfactory enterprise...[3]

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1. Governor-General to Colonial Secretary, 22 March, 1918; Ibid.

2. Novar Diary, 21 November, 1918; Munro Ferguson to Long, 22 November, and 5 December, 1918, Novar Papers, N.A.L., MS 696/1103/7.

3. Provisional Prospectus Private Circulation Only, n.d.; the proposed Board included Lords Inchcape and Leverhulme, C.W. Machonichie who was the Sydney Representative of Levers, Colonial Burns and possibly Sam Horden' Burns to Novar, 18 December, 1918, Novar Papers, N.L.A., MS 696/7057.

Nothing came of the venture as matters turned out, but the Burns Philp interests pressed on in their enterprises as the post-war period demonstrates. Burns had a high sense of the value of his firm in furthering the greater glory of the Empire as the following incident reveals. Early in 1919 the British Viçe-Consul at Batavia complained that Burns Philp had traded with the enemy. Burns personally refuted the allegation writing to Prime Minister, Governor-General, and Colonial Secretary, who finally sent it on to Curzon who was acting Foreign Secretary while Balfour was at Paris. Curzon, himself an ardent imperialist must have appreciated the following refrain:

> Our shipping company has ever been recognized as having battled for the Empire, against the German, Dutch, French and other nationalities throughout the Pacific; at Java and elsewhere and have been looked upon as Australian outposts in the Pacific during the last third of the century....given many thousands of pounds for war purposes and subscribed largely to the war loans...

Burns passed off the accusation as the sort of thing one would not expect from a rival British firm.[1]

Watt evidently had indicated his general approval and sought Hughes's views, informing him that Cabinet was 'not unfavourable to the proposal'. Hughes agreed that it would be most unwise to allow the German traders to remain but would not commit himself. He advised silence at all levels on the proposal. By March 1919 Watt favoured a public company rather than a private company for he considered that Australian public opinion would prefer this rather than a firm such as Levers 'finding all the Capital, and exploiting these new Possessions'.[2]

When Hughes expressed the above opinion he was busily engaged

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1. Burns to Prime Minister and Governor-General who in turn despatched it to the British Consul-General at Batavia who forwarded it to Curzon, 26 March, 1919; C.A.O., CP 78/22, file 1920/65.

2. Watt to Hughes, 2 December and Hughes to Watt, 4 December, 1918; C.A.O., CP 360/8/1. Munro Ferguson to Milner, 15 March, 1919; Novar Papers, N.L.A., MS 696/1145.

in the discussions on an indemnity, being the chairman of the British committee on an indemnity. As I have pointed out, he privately admitted that the Germans could 'fairly' claim the Colonies as part of the indemnity. The committee agreed that such a claim should be resisted. The point of interest at this juncture is that Llewellyn-Smith of the Board of Trade observed that after the Franco-Prussian War, a regular standard of reference in discussions on an indemnity, the Germans took over privately owned French railways. This type of expropriation was considered a part of the indemnity, the French Government in fact paying its own citizens.[1]

At Paris in 1919 Garran was fully involved in Colonial Office discussions on the terms of the transfer of the German Colonies. He took a firm stand on the issue. He was as adamant as Hughes that in the 'fine print' Australia as the mandatory power should have full and sole control over the disposition of persons and property. As one official informed Sir George Fiddes, Garran would only agree to the clause dealing with arbitration on questions on the 'status and disposal of German European inhabitants' if the 'authority' was the Commonwealth Government in respect of south Pacific Territories for 'his Government did not trust H.M.G. in such a matter'.[2]

The Foreign Office believed that this proposed expulsion of Germans and expropriation of their properties with respect to their former Colonies was unnecessarily harsh. As P.J. Baker expostulated in a minute seen by Cecil and Balfour:

> Nothing similar to what is proposed *(expulsion of Germans and expropriation of private property)* has ever been done in any territory as the result of a war. To establish such a precedent at the same time that the Mandatory principle is being established would, I should imagine, discredit the latter....

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1. See above, Chapter Three, I (b).

2. Minute for Sir George Fiddes, 'Draft of Causes Relating to the Transfer of a German Colony', n.d.: Batterbee, Colonial Office, to Garran, 7 January, 1919; Garran Papers, C.A.O., CP 351/1, B/2 and also C.O. 532/135.

> This was not even done by the Germans in 1871...

Balfour agreed. Keynes, whose advice was sought minuted that he understood no action on the above could be taken till the Inter-Allied Commission, of which he was a member, had made up its mind. Its Report was due in 1921.[1] The Foreign Office continued its objection to the Colonial Office proposal when the matter was discussed at the vial sub-commission meetings on April. The sub-commission on the 'Liquidation of Enemy Property' constructed the clause which eventually was incorporated in the Treaty as article 297(b) upon which the liquidation and expropriation in New Guinea was based. This clause in all respects was consonant with the original Colonial Office proposal except for the method of the disposal of German property in the Colonies. As article 297(b) is the basis for expropriation and subsequently was cited so often to German planters and traders who vainly tried to get round the expropriation of their businesses and properties it is appropriate to cite it here:

> (b) Subject to any contrary stipulations which may be provided for in the present Treaty, the Allied and Associated Powers reserve the right to retain and liquidate all property, rights and interests belonging at the date of the coming into force of the present Treaty to German nationals, or companies controlled by them, within their territories, colonies, possessions and protectorates, including territories ceded to them by the present Treaty.[2]

C. Strachey of the Foreign Office minuted that this policy really had been decided upon before the mandatory system was made known. That this is undoubtedly the case is clear by the way the Colonial Office worked out its proposal. They used the draft proposal for the 'Transfer of a German Colony Over Which Full Sovereignty Is Acquired' as the basis for their proposal, merely amending the few clauses that conflicted with the mandatory formula.[1] Strachey recorded that South Africa and Australia had supported the clause in the sub-commission. He noted that the French and the South Africans wanted the right to expel undesirables but that the latter intended to retain a large proportion of the settlers in German South West Africa. Cecil deplored the whole business:

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[1] Minutes by Baker, Balfour and Keynes on 'The Treatment of Germans in a German Colony Placed under Mandate', B.E.D., W.C.P., 288, 25 March, 2, 8, April; Peace Conference Papers, F.O. 800/241/241.

[2] 'Treaty of Peace', 28 June, 1919, Article 297(b), Paragraph one.

> I retain my opinion that to deprive German residents of their property without compensation is a petty form of reprisal not really in the interest of the Allies.[2]

Cecil was quite astray in his belief that the Germans were not to be compensated. In line with the precedent of 1871, the Treaty in paragraph 4 of the Annex to article 298 provided that the value of expropriated property would be applied to the credit of Germany's Reparation account while article 297 stipulated that the German Government was to compensate its nationals. As Garran commented in a memorandum on the subject in its application to New Guinea, the objects of these provisions were made perfectly clear by the Notes exchanged between the Allied and Associated Powers. For example, the German Counter-Proposals were quite clear in their appreciation of the implications of the provisions of the Treaty in this respect:

> The peace proposal speaks very *frequently of the obligation of the Empire to make compensation for the private property* which is to be expropriated for the benefit of the Allied and Associated Powers, without considering that *this method can be applied only within certain limits for reasons having to do with the money market*. In the immediate future it will be impossible to place German state loans in large amounts either at home or abroad, so that compensation could be made only by means of large issues of notes. The inflation, already

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1. 'Draft of Clauses Relating To The Transfer of A German Colony over which Full Sovereignty is Acquired', with amendments, 7 January; C.O. 532/135.

2. 'Draft Clauses to be Inserted in the Peace Preliminaries', Sub-Commission on the Liquidation of Enemy Property : Minute by Strachey, 14 April and Cecil, 20 April, 1919, Peace Conference Papers, F.O. 800/241/288.

> excessive *would increase constantly if the peace conditions as proposed are carried out.....*[1]

Hughes was not moved by the tone or the arguments of these Counter-Proposals. In his own draft reply, he observed that the demands of the Allies were quite moderate.[2] Also, he, Sumner, and Cunliffe jointly wrote to Lloyd George urging him not to amend the provisions of the Treaty. On the question of reparations which was the subject of their letter they insisted that the Allies should not make the mistake that the Germans made in 1871 in under-estimating the resources and capacity of France to meet what Bismarck thought was an impossible figure. To fix a maximum figure, as the Germans proposed, would be to run the risk of emulating the German error and 'would simply make the Allies ridiculous'.[3]

At this point it is just as well to point out that the German Counter-Proposals included a claim for the return of her Colonial Empire.[4] Gerhard Ritter points out that in the latter part of 1918 successive German Foreign Ministers, Kuhlmann, Hintze, and Solf, had hoped that Belgium could have been used as a bargaining counter for the return of the Colonies.[5] Count Brockdorff-Rauntzau, in February 1919, as the new Foreign Minister, publicly affirmed that Germany would only agree to international control of her Colonies if the Allies also submitted to such control for their own Colonies.[1] When the Germans finally decided to sign the Treaty, Dr. Solf, an ex-Colonial Minister warned his colleagues against affixing the signature of the current Colonial Minister, Bell, to the Treaty on the grounds that his signature conceivably could deprive Germany of any future chance of appeal[2] against the decision in respect of the Colonies. However, in the Weimar period, as one writer lamented, 'the loss of our colonies was accepted with dumb equanimity.'[3]

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[1] German Counter-Proposals, May, 1919, cited in Burnett, Reparation at P.P.C., p.384; Royal Commission on New Guinea Papers, C.A.O., CP 661/15/1. The German prediction proved dreadfully accurate. As a result of the massive hyper-inflation the Germans received a pittance from their Government as compensation for their expropriated properties; see below, this section and Appendix II.

[2] Hughes, Draft Reply to the German Observations, 6 June, 1919, cited in Burnett, Reparation at P.P.C., vol.II, Document 392.

[3] Hughes, Sumner and Cunliffe, to the Prime Minister, 9 June, 1919; Lloyd George Papers, House of Lords Record Office, MS F/28/3/40.

[4] 'Correspondence with the German Delegation, U.S. Foreign Relations, P.P.C., vol.VI, p.841 ff.

[5] G. Ritter, The Sword and the Sceptre: The Reign of Militarism and the Disaster of 1918, vol.IV, (London, 1973), Passim.

However, during 1919 while the Peace Conference was deliberating Burns Philp warned Australian officials that the German interests in the Colonies were manoeuvering to retain what they could in the event of an adverse result. The Sydney Morning Herald in May 1919, warned Australians that their interests were being prejudiced by the actions of German firms in the Islands. Contracts which excluded Australian firms had been negotiated with foreign interests, principally with American, Dutch, and Japanese companies.[4] As Burns Philp intimated to the Australian Government, here was clear indication that if the 'Open Door' operated in New Guinea, not many years would pass before Australians would be ousted from the Pacific trade.[5]

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[1] Brockdorff-Rantzau, Reuter report of speech by the new Foreign Minister, 'Right of Victors Denied Lands or Indemnity', Melbourne Herald, 17 February, 1919.

[2] Lord Acton to Balfour, 17 July, 1919; Peace Conference Papers, F.O., 607/133/15152.

[3] Cited by Wolfe Schmokel, The Dream of Empire: German Colonialism 1919-1945, (Lond, 1964), p.2 ff. This is an excellent account of the Weimar and Hitler period in relation to the Colonial question.

[4] S.M.H., 7 May, 1919.

[5] Colonel Burns to Colonial Secretary, enclosed in Fisher to Cook, 1 May, 1919; Cook Papers, N.L.A., MS 762/1. Watt to Hughes, 23 May, 1919; C.A.O., CP 290/3/1.

Very obviously it was in the interests of Burns Philp that the Germans should be expelled from the Pacific Islands. Some months later, Burns gave Munro Ferguson a progress report:

> Our London manager held a long interview with Mr. Hughes before he left and from your correspondence there seems to be a good change of German New Guinea being treated somewhat in the manner we previously suggested. Mr. Hughes has promised to see me about the end of the month but meanwhile is anxious to keep matters quiet. Probably you know that the Germans there are very restive and considerable difficulty has taken place in keeping away foreign shipping from Rabaul.[1]

He was to be disappointed for on Hughes's return to Australia, one of the first pressure groups to wait on him were the representatives of the men returned from the War - the Returned Soldiers' League.[2] One of the first public speeches he delivered on his triumphant return, was to the R.S.L. early in September. He then conferred with the Central Executive of the R.S.L.[3] Hughes over the next few months engaged in consultations with them. From these consultations it emerged that they wanted the deportation of all enemy aliens who were interned during the War. The R.S.L. also indicated that they preferred restrictions on German clubs, schools and churches. It was clear the German language was one of the objectives of their attack. As a Welshman Hughes informed the R.S.L. delegation that he appreciated the natural affection which 'Australian' Germans, and indeed 'German' Australians, had for their language and culture. He thought it best to proceed against only those who were proven to be disloyal; but on balance he hoped they would not press this particular motion. They asked for, and eventually were promised a war gratuity. The R.S.L. was able to show that Great Britain, Canada, and New Zealand, were all undertaking such a scheme and that Australia, was in fact, behind other countries. Hughes's scheme, to be paid at the rate of 1/6 per day, was to be in the form of non-negotiable bonds. The whole scheme would cost twenty-five million pounds, of which approximately half was expected to be covered by Reparation payments.[1]

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[1] Burns to Munro Ferguson, 1 August, 1919; Novar Papers, Ms 696/7054-5.

[2] Originally, the Returned Soliers League was known as The Returned Sailors and Soldiers Imperial League of Australia, (R.S.S.I.L.). The above abbreviated form will be employed for convenience.

[3] The Argus, 1 September, 1919, and 'Report of the Returned Sailors and Soldiers Imperial League of Australia', on 11 September, 1919; Privately printed.

With respect to an indemnity, the R.S.L. first of all demanded the lands of Germans in Australia. Hughes was non-committal on this point. By October, turning their gaze to New Guinea, their president, Captain Dyett, asked for preference for returned soldiers in the public service which would administer the Territory. This was the limit of their proposals to Hughes at this stage with respect to the Germans and New Guinea.[2] However, early in November, the Queensland Branch of the R.S.L., wrote to Judge Murray, the Lieutenant-Governor of Papua, formally requesting his support for a proposal to settle returned soldiers in the Territory so as to convert it to a British community.[3] They had written to Murray in his capacity as one of the commissioners on the Royal Commission on 'Late German New Guinea'.

The membership of the Commission was significant in its bias. There was Atlee Hunt, departmental Head of Territories, whom we have observed had expressed his view that Anglo-Saxon economic interests should predominate. Associated with him was W.H. Lucas, the Islands manager of Burns Philp. His interest in the expulsion of German elements dated back to the pre-war years when he supplied Military Intelligence with information on the development of Rabaul as a possible naval base.

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[1] 'Returned Soldiers Conferences with Prime Minister-October, 1919', Proces Verbaux; C.A.O., CRS 1606, item SCD 11/1. See also G.J. Kristianson, The Politics of Patriotism, (Canberra, 1966), and C.A. Price, German Settlers in South Australia, (Melbourne, 1945).

[2] Ibid., 10 October, 1919.

[3] R.S.S.I.L.A., Queensland Branch, the Secretary, to Judge Murray, Lieutenant-Governor of Papua, 5 November, 1919; Royal Commission on Late German New Guinea, C.A.O., CP 661/15/1.

Finally, there was Hubert Murray, whose knowledge of Papua was unsurpassed and who placed native interests above all else.[1] It was inevitable that there would be agreement between Lucas and Hunt and a dissenting report from Murray. This was in fact how matters turned out.[2]

The Royal Commission was actually set up in August, 1919. Its terms of reference broadly were to report upon matters of property, including the expropriation, trade, revenue, administration and in general, the 'organization of a system of Government in accordance with the terms of the Mandate'. This included a consideration of the possible 'co-ordination or amalgamation of the government with that of Papua'. Significantly it was also noted that this should take into account the British Solomons if they should come under Australian control.[3]

In accepting his position as chairman of the commission Murray cabled Hughes to the effect that he 'highly appreciated the confidence which had been placed in him'. There was good reason for this, for he had been ignored on matters affecting New Guinea since the military occupation and he was obviously keen to govern both Territories as one.[4] Murray did not have cause to be thankful after his tour of the Territory with his fellow commissioners. He reported to his brother Gilbert the hopelessness of his position:

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[1] See F.J. West, Hubert Murray; The Australian Pro-Consul, (Melbourne, 1968), for the latest account; see also his edition of Selected Letters of Hubert Murray (Melbourne, 1970), mostly written to 'George' his brother, who was Gilbert Murray, the eminent Professor of Greek at Oxford.

[2] 'Report of Royal Commission on Late German New Guinea'. 16 December, 1919, C.A.O., CP 661/15/1.

[3] Ibid., This latter aspiration appears from time to time in Watt's cables to Hughes. Lloyd George had made it quite clear that the Solomons were excluded from any discussion on Australia's Mandate.

[4] See Rowley, The Australians in German New Guinea, p.286 ff.

> I am lately back from German New Guinea where I have been on a royal commission. My colleagues were two men whom I particularly dislike and I had great difficulty in not killing them. We differ on every imaginable point, and as they are two to one I suppose their opinion will be adopted. There is a prospect that all the German properties in German New Guinea will be confiscated and divided among returned soldiers. In that case I do not think I should accept the administration if it were offered to me - it would mean that I should be at the beck and call of the returned soldiers' league, which is not to my fancy. Returned soldiers are heroes and all the rest of it, but their ideas of a native policy differs from mine and I am not going to adopt it.
>
> There is a general election going on - the voting is next week. It is rather a sordid affair - open bribery on both sides. Hughes offers the returned soldiers 25,000,000 pounds - obviously to but their votes - but he can only offer it in bonds; so Ryan, the labour leader, promptly offers 25,000,000 pounds in cash. The alarming thing is that it does not seem to shock the political conscience of the community - every one takes it as a matter of course......[1]

Murray in his Minority Report argued that the German administration saw Papua as an asset to be developed and considered it a 'purely commercial undertaking'. He contrasted this with his own objective in Papua which really did aim at the welfare provisions of the Covenant of the League of Nations. Murray deplored the German provisions for flogging, imprisonment, and fines, for specific 'labour offences'. He reckoned he knew of no British colony that sanctioned such punishment for these offences. Nor did he know of any British administration which would allow one man to be prosecutor, judge, and gaoler in his own cause. If he was disenchanted with German attitudes to natives he was also unsympathetic to the view of Lucas and Hunt. They were too capitalistic in their approach, for to them the native was a 'state asset'. Murray's perception of the paternalistic development of the native placed European business methods and drives on a lower scale than Lucas and Hunt who did not see any inconsistency between their views on this and the best interests of the natives.[1]

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[1] Hubert Murray to George *(Gilbert Murray)*, 2 December, 1919; cited in Letters of Hubert Murray, no. 74, p.106.

It is of interest in passing to note that the renowned anthropologist, Bronislaw Malinowski was interned in Papua under Murray and Hunt during the War.[2] Murray and Malinowski took an instant dislike for each other. Murray particularly found his 'patronising' airs distasteful.[3] Malinowski for his part recorded that he was unimpressed by Murray who had 'a disastrous tendency to '"preach"'. Malinowski himself believed that the German administration of The Territory was too structured for the temperament of the New Guinea native. He preferred a laissez-faire approach for their development.[4]

Murray's condemnation of the German New Guinea administration and its policy seems rather jaundiced, even taking into account his bias. The report of the German administration for 1913 states that its objective in the 'Old Protectorate', that is New Guinea and New Britain, was a 'well regulated, cultural and economic elevation' of the indigenes.[5] This appears on the face of it a laudable objective. Hunt and Lucas admitted in their Report that the Territory of New Guinea's plantations and agricultural output were 'greatly in excess of those of Papua'. However, these two commissioners stated that:

> There was probably no more potent factor in inducing the Allied Powers to require the renunciation by Germany of

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[1] 'Report of Royal Commission', Minority Report, pp.52-73; C.A.O. CP 661/15/1.

[2] Bronislaw Malinowski, (1884-1942); Polish parentage; anthropological expedition to New Guinea and North West Melanesia; later Professor of Anthropology at the University of London. See his A Diary in the Strictest Sense of the Term, (London, 1967).

[3] Murray to George *(Gilbert Murray)*, 5 October, 1914; cited in West, Letters of Hubert Murray, no. 60, pp.82-3.

[4] Malinowski, Diary, 14, 23 November, 1917.

[5] 'German New Guinea, Annual Reports, 1901-13, *(Translated)*; N.L.A., MS 361.

> her Colonial possessions than the records of the treatment of her coloured subjects, and in all deliberations in regard to the Mandated Territory, the welfare of the native inhabitants must be the first consideration.

As far as New Guinea was concerned the commissioners noted that the Australian military authorities dispensed with flogging which had been the practice of a few German employers.

However, the case against German colonial rule on the base of abuse of the natives cannot be substantiated in my view. As Milner concluded, after surveying the paucity of evidence on the subject, the humanitarian argument for the transfer of New Guinea was 'probably eyewash'.[1]

As early as January, 1918, the Colonial Secretary, Long, sought a statement from the authorities in the ex-German Colonies to the effect that the indigenous population did not want to be returned to German rule but preferred to remain under British rule. The pronouncements of Lloyd George, Woodrow Wilson, and the Pope indicated that the wishes of the indigenous population could and should be taken into account. Long urged the southern Dominions to secure such evidence and any evidence which demonstrated abuse of the natives and atrocities perpetrated against them.[2]

Naval Intelligence in Australia took the matter up.[3] The Administrator, Brigadier-General J. Johnston, some months later, radio[illegible] the findings of his staff which clearly were not encouraging for those hoping to compile a dossier, a 'blue-book', of atrocities in the South Seas, to add to those from Africa. The records 'of what might be termed

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[1] Milner, Minute, 3 February, 1919; C.O. 532/132/7954.

[2] Colonial Secretary to Governor-General, 4 January, 1918; C.O., 537/1017.

[3] Latham, Memorandum, 'Foreign German Colonies in the Pacific', 16 January, 1918; C.A.O., Melbourne, MP 367/3.

"atrocities" are scanty'. There was some general evidence of punitive expeditions against native villages held responsible for crimes. However, Major H.B. Ogilvy had concluded, stated Johnston, that 'it cannot be fairly stated that the Germans were cruel in New Guinea'. There were individual cases, but these were severely dealt with when brought to the Administration's attention. Overall, Ogilvy believed German rule in respect to the natives was 'very good' which he attributed to the humane attitude of the Governor, Dr. Hahl.[1] This was not the evidence that at least one Naval Intelligence officer wanted:

> I do not think German official documents are likely to be of much value in this connection. It would be queer if the ill-treatment of natives of which so much indisputable evidence has been given in the German African colonies should be non-existent in the South Sea colonies only.[2]

Queer or not, Naval Intelligence was not able to rustle up the expected evidence. Hughes in December cabled for more information. Hughes mentioned that 'Missionary Societies and Lucas' probably would have the information.[3] Watt simply reiterated a summarized version of the Administrator's report.[4]

As far as an expression of the native's preference for British rule, the Administrator informed the Governor-General that it was impossible to gain a meaningful response from the natives. Given the scattering of the population, the variety of languages, and the primitive level of their culture, he believed it would be impossible to gain 'anything like a reliable expression of their wishes as regards future government'. Watt also informed Hughes of this opinion and that Lucas concurred in this view.[5]

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1. Johnston, Memorandum for Defence Secretary, 14 June, 1918; Ibid.
2. Jose, Minute, 23 July, 1918; Ibid.
3. Hughes to Watt, 18 December, 1918; C.A.O., CP 360/8/1.
4. Watt to Hughes, 3 January, 1918; Ibid., Bundle 3.
5. Governor-General to Colonial Secretary, 15 January, 1918; [Command 9210, November, 1918], C.A.O., CRS A2, 1919/1706. Watt to Hughes, 24 January, 1919; C.A.O., CP 290/3/1.

As matters turned out, the most publicized 'atrocity' of the War in New Guinea was the public flogging of a group of Germans on the orders of Colonel Holmes on 30 November, 1914. This action was a reprisal against the flogging of a Methodist missionary, Rev. W.H. Cox, by a group of Germans, including an official. Afterwards they maintained that Cox was an informant for the British and that their actions were the aftermath of a drunken brawl. The Times report informed the world that the Germans had been tried by court martial and flogged in the presence of the German community. In the official German complaint to the United States Ambassador and thence to the Colonial Office and Foreign Office, the Germans pointed out that natives had witnessed the degrading spectacle and that, 'incredible as it may sound', a photographer was allowed. In Grey's reply to the Ambassador he defended the action pointing out that the Methodist missionary had been 'cruelly flogged in circumstances involving shameful humiliation as to most seriously affect his health'. Grey on the other hand noted that the Commonwealth Government officially had disapproved of the action.[1] Thus as Munro Ferguson noted in his Diary, Holmes had gained the dubious 'double distinction' of allowing generous terms to the Germans in September and then flogging them in November. He was, as we have seen, removed the following January.[2]

If the contention then, of Lucas and Hunt, could not be supported with regard to German 'atrocities' this did not prevent them from recommending the expulsion of the German residents:

> If the Germans, or the bulk of them, are allowed to continue in occupation of their present positions as missionaries, traders, or planters, the Government must expect to be met with continued hostility, veiled perhaps, but none the less manifesting itself in the creation of embarrassments for a

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[1] The whole of this correspondence is to be found in C.O. 418/141: United States Embassy, Berlin, to American Ambassador, London, 16 January, 1915; Foreign Office to United States Ambassador, 4 February, 1915; German Reply to United States Note, 15 February, 1915; Grey's reply to United States Ambassador, 3 March, 1915.

[2] Novar Diary, 4 May, 1915. A photograph of this incident was published for the first time on 10 November, 1974, in the Sun-Herald, (Sydney).

> Government which, though tolerated, will be hated. They will form a solid and influential party, outwardly perforce deferring to British control, but in national and commercial sympathies entirely alien. The psychology of the German is now well understood, and there appears no justification for hope that there are men, who are known to have rejoiced at every German success during the War, will so change their natures as to be willing to render that loyal co-operation that will be necessary for the success of the new Government.[1]

This policy was carried out even against the German missionaries. The commissioners admitted that there were German missionaries who were not politically active but they considered that as this could not be guaranteed for all German clerics, the risk should not be contemplated. They referred to the disloyal Lutheran and Catholic clergy in Australia as evidence for their proposal. The strategic influence which the Church enjoyed over the natives was further cause for the commissioners' contention that the Church should be carefully controlled.[2]

The commissioners received strong entreaties from the Catholic Bishop of the Vicariate Apostolic of New Pomerania *(Britain)*, and in the subsequent years from the Vatican itself, to no avail. Similar requests from Lutheran authorities in the United States were just as unsuccessful. Overtures to the Colonial Office and Foreign Office were met with the reply that Britain would not contemplate interfering with Australian policy on this score. As the Colonial Office commented, Australian officials were so sensitive to public opinion that they have 'given to ex-New Pomerania again its old name of New Britain as the use of the German name is likely to give offence'.[3]

There was however, no intention of closing down German missions nor of taking over their properties. These were clearly safeguarded by the terms of the Treaty. The Commonwealth, as the above proposal would indicate, pursued a policy of replacing German nationals on Lutheran and Catholic missions in the Territory. Atlee Hunt, speaking at a Methodist Layman's Conference at Queenscliff, Victoria, outlined the Government's policy:

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[1] 'Report of Royal Commission', p.24, ff.

[2] Ibid.

[3] See Bishop Louis Couppe to Members of the Commission, 6 September, 1919, Ibid; Cardinal Gasparri to Colonial Secretary, sent on to Governor-General, 26 October, 1923, C.A.O., CP 360/4/1; C.J. Phillips, Foreign Office to Sir Herbert Reid, Colonial Office, and his Minute, 17 February, 1921, C.O. 418/2/3.

> You are, I believe, already considering the substitution of persons of our own nationality for those of German race in the Methodist Mission but it would be good to know that you are prepared to go a long way further than that. The Australian Government may want to send back all German missionaries. Are you prepared to fill the places of these men?[1]

This suggestion was in fact carried out. The Governor-General's despatch to the Colonial Secretary, late in 1922 summarized the position:

> My Prime Minister desires me to acquaint you that the Commonwealth Government has adopted the following rules in regard to German missionaries in the Territory of New Guinea:-
>
> (a) No new Missionaries of German nationality will be admitted to the Territory of New Guinea;
>
> (b) That missionaries of German nationality at present attached to the mission staffs of the Roman Catholic, Lutheran or other denominations operating in the Territory of New Guinea, who give an undertaking of loyalty, will be permitted to remain in the Territory for a period of seven years from 1st June, 1921, but must then be replaced.
>
> (c) That during this period of seven years children of German missionaries may be sent to schools in Australia; that the German missionaries will be allowed to come from New Guinea to Australia for furlough and that fiancees of German Lutheran missionaries now in the Territory may be permitted to come from Germany to New Guinea.
>
> (d) That any substitute or additional missionaries who desire to enter the Territory must -
>
> (i) If Lutheran, be Australian or American born;
> (ii) If Roman Catholic or of denominations other than Lutheran must submit proof that they are not

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[1] Atlee Hunt, Address, 24 January, 1920; Royal Commission Papers, C.A.O., CP 661/15/1.

German born.[1]

The exclusion of German missionaries and indeed, the expulsion of Germans from the Territory was part of a general policy which had been proposed by a memorandum by Lord Milner of July 1919. He put forward the view that the Dominions may wish to exclude ex-enemy nationals from their shores and from the Territories under Mandate. His proposal was for a three year period after the War. As Sir Auckland Geddes, President of the Board of Trade, expanded in his own memorandum, this would apply only to those who retained their ex-enemy status. It would not apply to those of German origin who became naturalized Poles and Czechs, being Nations of new formed states, nor would it apply to the Swiss on the grounds of Switzerland's neutrality.[2] Although there were only some six hundred or so Germans in New Guinea there was a number who claimed exemption from expulsion and expropriation under this provision. However, the great bulk were finally expelled.[3]

New Zealand, administering Samoa, relaxed certain of its provisions, feeling that there was so few Germans, no threat was posed by them. Indeed, the Prime Minister of New Zealand found occasion to rebuke the Australian Government for its hard line against a New Zealand citizen married to a German planter in New Guinea:

> I may say that the New Zealand Government in laying down its policy with respect to the disposition of German nationals and their property in Western Samoa, differentiated between those who had wholly German domestic ties and those married to Samoan or British wives. The former have been repatriated

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[1] Governor-General, Forster to Colonial Secretary, despatch, 18 September, 1922; C.A.O., CP 78/22, item, 22/367.

[2] Geddes, Memorandum, 'Exclusion of Germans from Colonies and Protectorates', 4 July, 1919; C.O. 547/620.

[3] Commonwealth of Australia, 'Report by Colonel Ainsworth on Administration Arrangements and Matters Affecting the Interests of the Natives in the Territory of New Guinea, 1924, Commonwealth Parliamentary Papers, 1923-4, vol.IV. *(Ainsworth Report).*

> and their landed property has been taken over by the New Zealand Government in accordance with the provisions of the Treaty of Peace. But any German married to a Samoan or British wife who did not desire to return to Germany has been allowed to remain in Samoa and to continue in full possession and enjoyment of his property. The New Zealand Government deemed it repugnant to the sense of British justice, as well as inexpedient, to expropriate the property of any German national who for any reason was allowed to remain resident in Western Samoa.[1]

South Africa in its Territory where there were some thousands of Germans in the midst of a Boer population also relaxed its regulations. The great bulk of the German population eventually became naturalized South Africans.[2] It must be remembered that South Africa did not incur the great debt which Australia assumed nor was its contribution in Europe in terms of lives lost anywhere near that of Australia.[3]

It would seem then,that Hughes, who had no personal animus against individual Germans, was determined to give no quarter against an opponent which he judged to be 'within the gates'. He was mindful also of a watchful R.S.L. and the forthcoming elections. Thus he was determined, apparently, that New Guinea would be the prize from the War which he could hold aloft as proof that Australia at last had something to show for her losses. It was after all, legitimate booty, the spoils of war, little enough as it was, for the capitalized value of the German properties was estimated at one per cent of the original claim for the war costs which Hughes had originally sought.

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[1] E.P. Lee for Prime Minister of New Zealand, to Mrs. Minnie Mirow, 21 October, 1920 and same date to Prime Minister of Australia; Case Files of Special Magistrate, C.A.O., CP 447/1/1. See Appendix II for the details of this case.

[2] See below, this section, and also 'The Mandate for South-West Africa', Chapter XXIV, The Cambridge History of the British Empire, vol.VIII, South Africa, pp.660-661; Out of a total of 3489 persons eligible 3228 accepted British citizenship.

[3] See Miller, My Diary, vol.X, Document 328 for the value of capital for Germany's transferable assets including its Colonies. See C.A.O., CRS A4/NG42, cable, Administrator to Defence Dept., 12 December, 1918 which states the value of enemy property as 4,894,000 pounds. This included the value of Mission property. W.H. Thomas, the Custodian for Expropriated Property, on 16th March, 1931, placed the net value for credit under Article 297 of the Treaty as 2,127,882 pounds. This was after a deduction of 1,195,343 pounds for capital expenditure; cited in his Report, 'Liquidation Account: German Property Rights and Interests in the Territory of New Guinea', C.A.O.

The recommendation of Hunt and Lucas was that all German plantations should be offered for sale to private Australian interests and that other assets should be liquidated. This appeared to be designed to allow Australian plantation and trading firms to move into the gap left by departing German enterprise. The expropriation of the Germans would require sound men of business and it would require a separate administration:

> Your Commissioners recommend that as soon as possible after resumption the plantations be offered for sale to individuals or companies, making special provision for settlement on suitable blocks of such ex-soldiers as may desire to embark on the enterprise of coconut growing in the Territory. They have prepared a memorandum, in which a method of procedure is indicated for taking over plantations and trading concerns, but they request that this memorandum be regarded for the present as confidential, as premature publication may be prejudicial to its successful execution.
>
> As regards enemy properties other than plantations, your Commissioners recommend prompt liquidation of the assets of those trading companies whose capital is provided from Germany.

Murray had recommended nationalization of the four large companies and their subsidiaries but he considered that individual planters 'in the majority of cases, although they are Germans, are a good type of settler' who could well remain.[2] Latham, some years later, in an address on 'Australia and the Pacific' expressed the opinion that it was a pity that 'the drastic powers of the conqueror were not reserved for the Great German Companies'. By expropriation of the few individual planters he reckoned Australia had begun its rule as a

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1. 'Report of Royal Commission', p.45; C.A.O., CP 661/15/1.

2. Ibid., p.67; Murray was following the recommendation of the Administrator on this point.

mandatory power with the knowledge that it had 'inflicted grave hardships and injustice in individual cases'. Moreover, the Territory would be deprived of 'hardworking and expert agriculturalists'. Latham also held that New Guinea would not reach its potential 'unless its trade was 'thrown open to the competition of the world'. It does seem a pity that the Germans without exception were excluded from the Territory.

Hughes however, had no intention of allowing the 'Open Door' in New Guinea. As he pointed out in his speech on the Treaty of Peace, Australia sought direct control first of all so that its security could be ensured and so that New Guinea could be developed under the control of Australian laws. Once the mandate principle was adopted he fought to see that it was 'consistent, not only with out national safety, but with our economic, industrial, and general welfare',[2] This did not include the Germans nor the 'Open Door'.

Murray certainly was not surprised at the eventual decision to go ahead and carry out the expropriation:

> There was no great surprise about German New Guinea. It depended upon the result of the elections. If Labour had won I should have got all I wanted; if they lost I knew that I should get nothing as a capitalistic and anti Catholic regime would certainly ensue. And Labour never had any chance of winning.
>
> I think that the scheme was planned out long ago, and that I was put on the Royal Commission to German New Guinea merely as a blind - the other two being safe men for the capitalists in general and Burns Philp in particular. It appears too that the very violent movement against myself last year was also the work of the same gang, with a view to discredit my administration and to prevent its extension to German New Guinea...[3]

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[1] Latham, Address, 1921; Latham Papers, N.L.A., MS 1009/19/137-43.

[2] Hughes, C.P.D., vol.LXXXIX, p.12174, 10 September, 1919.

[3] Murray to Lady Mary Murray, 27 May, 1921; cited by West, (ed)., Letters of Hubert Murray, no.76, p.108.

The Labour Opposition had suspected as much when Hunt and Lucas had been announced as commissioners. The Opposition in both Houses expressed distrust of them as men likely to favour the 'big companies' rather than supporting the closer settlement there for ex-soldiers.[1] If Murray now felt that Hughes had deliberately put him on the commission as a 'blind', this disenchantment with Hughes is consonant with their mutual disregard. Murray at various times after this affair intimated to his brother that Hughes 'not only knows nothing about Papua but thinks he knows everything'. And later he capped this remark by avowing that all would be well were it not for that 'hysterical little maniac'. Hughes, not to be outdone in a contest on invective, some years before he died, recollected the only occasion he met Murray:

> I only met him once. He was quite impossible. Believe me, a very opinionated man. He was stubborn. He wanted to tell me, not let me tell him. Oh, I assure you, quite impossible. Well, life's far too short brother, I had better things to do so I left him to be God among his black fellows if that was the way he wanted it.[2]

The path to expropriation though, was hampered by delays in the formal proclamation of the Mandate by the League of Nations. These delays were caused by the Japanese objections to terms in the 'C' class Mandate. It was not till 17 December, 1920, that the Japanese finally gave way under protest. However, the Australian authorities long before this had taken care to ensure that appropriate legislation had been enacted to speed matters on their way to the interval.

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1. C.P.D., vol.LXXXIX, 11 September, 1919, p.12259, and in the (Senate), Ibid., 26 September, 1919.

2. Hubert Murray to George [Gilbert], January, 1922 and 20 March, 1922; Hughes's remarks concerning Murray were recorded in the 1940's; all cited in West, 'Sir Hubert Murray: The Australian Pro-Consul', Journal of Commonwealth Political Studies, (A.N.U.), vol.1-2, 1961.

The Treaty of Peace Act, October, 1919, enpowered the Governor-General to proclaim regulations in New Guinea to give effect to the provisions of the Treaty. The Cabinet decision to press ahead with the expropriation, Piesse noted, was taken in March, 1920. The Treaty of Peace Regulations, 1920, contained provisions for vesting in the Public Trustee and subsequently the Custodian of Expropriated Property, all the necessary legal powers to proceed with the expropriation under the terms of the Treaty, whenever the Commonwealth deemed it appropriate. As well, the Lands Ordinance, 1919, prevented the Germans from selling out; the Enemy Property Ordinance, 1920, prevented them from sending away their property. In May, 1920, Lucas became technical adviser on expropriation. In September 1920 the Expropriation Ordinance provided the machinery for taking over properties. The Ordinance compelled the German managers or owners to continue at their posts until replaced by the new Expropriation Board. Lucas was appointed its chairman, having resigned from Burns Philp to take up the position. Years later, he claimed he had had direct access to Hughes. Lucas related to Professor Rowley the account of his appointment by Hughes with the express purpose 'of kicking out the Hun'.[1]

In anticipation of the issuing of the Mandate, the Commonwealth passed the New Guinea Act, 1920, by which the Governor-General was authorized to accept the Mandate when issued. German New Guinea remained under military occupation till May,1921, when the New Guinea Act was actually proclaimed. Civil administration began to operate from 9 May, 1921.[2] Nothing could be more indicative of the consistent policy from the military occupation of 1914 to the expropriation carried out from

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[1] Lucas's account to Rowley, November, 1952; cited in Rowley, The Australians in New Guinea, p.287. See his 'The Occupation of German New Guinea, in W.J. Hudson, (ed.) Australia and Papua-New Guinea, (Sydney, 1971) pp.57-73. See also Piesse, 'Notes for a Ministerial Statement of Policy', 23 November, 1921, C.A.O., CRS A2219, vol.XIX.

[2] The above is based on the 'Ainsworth Report', and the 'Report on Expropriated Properties and Businesses', 1924, pp.8-17, Commonwealth Parliamentary Papers, 1923-4, vol.IV.

1920 than this bloc of legislation which was designed to ensure Hughes's objective, quoting Lucas, 'of kicking out the Hun.'

Serious work on the matter began in September when the Expropriation Board was set up and began its operations. The expropriations were carried out over the next two years. Some six hundred cases were considered by the Board and expropriation recommended. Of these one in five appealed and of those who appealed one in three was successful.

In April 1921 a 'Special Magistrate', E.T. Browne, had been appointed to handle the appeals. Piesse records that he gave them 'a careful hearing'. However, the Government was represented by the chairman of the Expropriation Board, Lucas himself. Piesse was obviously opposed to this arrangement. In a handwritten memorandum, he noted that Lucas 'showed all the zeal of a private litigant'. Further, Lucas was consulted by the Prime Minister's Department as to the action to be taken on the Magistrate's reports. What was worse, he was allowed to place on the files 'minutes containing scurrilous abuse of the applicants as well as unsupported statements of fact and incorrect allegations'.[1] There is little wonder therefore, that Lucas was the subject of attack by the German publicist, Dr. H. Schnee, who had been at one time, Governor of New Guinea. Schnee noted the clearly vested interest that Lucas, a former manager of Burns Philp, would have in his position on the Expropriation Board. Schnee predicted that Burns Philp would acquire a controlling interest in the former German plantations and trade.[2]

The files of the Special Magistrate contain the applications of the German planters and traders for a consideration of their case against the expropriation of their properties. As Piesse pointed out, most of the appeals were known to the Board but the expropriation was carried out. The intention, says Piesse, appeared to be to place the onus of proof upon the Germans at a subsequent appeal.[1] Hughes's policy on this matter was the subject of public criticism which he took most seriously. So much so, he appointed Piesse as an Australian representative at the sessions of the Mandates Commission of the League of Nations in August 1923. A Report of the Commonwealth's administration of the Territory was to be considered. Piesse's brief was to answer questions relating to the expropriation which, as Hughes informed him, had been the target of criticism:

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[1] See Piesse, holograph memorandum, 5 September, 1922; Piesse Papers, N.L.A., MS 882/6/649. See also, Piesse, 'Financial Relations of the Territory of New Guinea with the Commonwealth', in Eggleston, (ed.), The Australian Mandate for New Guinea, (Melbourne, 1928).

[2] Schnee, 'The German Colonies under Foreign Mandates', Translation; enclosure in a despatch, Jellicoe, New Zealand Governor-General, to the Duke of Devonshire, Colonial Secretary, 30 May, 1923, C.A.O., CRS AI, item 23/24728.

> The policy and administration of the Commonwealth Government in the liquidation of ex-enemy property has been the subject of much criticism, much of it ill-informed, and it is possible that an attempt may be made before the Mandates to inquire into the complaints which have been published in the press....if you find yourself unable to answer any question put to you you will telegraph to me, and at the same time asking the Commission if the matter is of sufficient importance, to await an authoritative reply from the Government before committing itself to any opinion or action on the matter in question.[2]

A situation arose however which laid Australia open to further criticism. It may well be the substance of the criticism to which Hughes had referred in his instructions to Piesse. In October, 1920, the 'Board of Trade Journal' announced that Britain had informed Germany that she did not intend to exercise her right to the seizure of German property in Britain 'in the case of voluntary default' by Germany.[3] New Zealand and South

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[1] 'See Appendix II for a selection of cases which will give a fair indication of the nature of the appeals. This material was considered highly sensitive by the Archives. Special permission was necessary to gain access to these files for the express purposes of this study.

[2] Hughes to Piesse, 20 June, 1922; Piesse Papers, N.L.A., MS 882/6/290.

[3] 'Treaty of Versailles', Part VIII, Reparation, Annex II, paragraph 18: The measures which the Allied and Associated Powers shall have the right to take, in case of voluntary default by Germany, and which Germany agrees not to regard as acts of war, may include economic and financial prohibitions and reprisals and in general such other measures as the respective Governments may determine to be necessary in the circumstances.

Africa followed suit.[1] Winston Churchill now Colonial Secretary, informed Australia of the position, requesting their reaction.[2] The German Ambassador's note to Curzon on the subject was attached. He remarked that only Canada, Newfoundland, and Australia had not renounced their rights under the Treaty on this point and so he was hopeful that the British Government would exercise its influence to gain the acceptance of the 'non-conformist' Dominions. By March 1923 Canada and Newfoundland had fallen into line.[3] Hughes was out of Office by then, having tendered his resignation on 9 February, 1923. Throughout 1922 Hughes put off the regular request of the Colonial Office with the reply that the matter was still under consideration. Finally, in May 1923 the Commonwealth Government informed the Colonial Secretary that it could not accede to the British request.[4] If the policy of the Hughes Government can be criticised for being unnecessarily harsh on these matters then the Bruce Government[5] which was responsible for this final decision must equally share such criticism for it did not depart one iota from the policy laid down by Hughes's Government.

Though Hughes had promised the Territory plantations as a reward for ex-servicemen it was not until late 1922 that the plantations were offered for sale largely because of the problems that have been outlined above. Only British nationals could tender and ex-servicemen were given particularly favourable terms. Again the German Ambassador requested the good offices of the Foreign Affairs Secretary. The German Ambassador on this point argued that such conditions for sale were contrary to the Treaty and to the terms of the Mandate. Moreover, by restricting the field the sale price would be lower and this was prejudicial to the interests of the German Government which was then credited in its Reparation account with the equivalent of the sum realized. The Secretary of State, the Duke of Deveonshire,[1] relayed the Bruce Government's reply through the Governor-General, Lord Forster. The Colonial Secretary upheld the Commonwealth's view that the Government was acting quite properly in its actions under the Treaty and the Mandate through the legislation it had so carefully and thoroughly enacted -'to kick out the Hun'.[2]

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[1] Extract, 'Board of Trade Journal', 21 October, 1920; extract from 'South Africa Government Gazette', 22 April, 1921 and New Zealand Parliamentary Debates 22 March, 1921: C.A.O., CP 78/21.

[2] Winston Churchill to Lord Forster, 31 October, 1921; enclosure, German Ambassador to Marquess Curzon, 11 October, 1921; C.A.O., CP 78/21.

[3] Friederich Sthamer, German Embassy to Curzon, 16 March, 1923, and Miles Lampson Foreign Office to Sthamer, 28 March, 1923; C.A.O., CP 78/21.

[4] Public Trustee to Prime Minister's Department, 19 May, 1923; Governor-General, Lord Forster, to Secretary of State for Colonies, 31 May, 1923, C.A.O., CP 78/21.

[5] Stanley Melbourne Bruce, (1883-1967); born at Melbourne; member of a well known and wealthy business firm; served with British Army in Gallipoli and France, 1915-17; elected Member of Parliament taking Irvine's seat; Treasurer, replacing Watt in 1921; Prime Minister, 1923-29, replacing the Hughes Ministry in 1923; created Viscount Bruce of Melbourne.

(b) The Exclusion of Japanese and American Interests.

When Hughes returned to Australia from the Peace Conference he cabled to Lloyd George almost immediately for progress on the formal acknowledgement by the Supreme Council of Australia's Mandate in New Guinea. He complained that the Japanese were working assiduously to oust British and Australian shipping and trade from the Pacific. He urgently requested that the matter should be expedited.[3] There was no immediate reply and Hughes was caught up in the hurly burly of his election campaign for the vote in December. In the midst of the campaign in mid-November, Hughes was sufficiently distraught to repeat his plea. This time he pointed out that the Japanese were acquiring titles to land, minerals, and oil rights and 'we can do nothing failing formal appointment as Mandatory'.[1] An exasperated Lloyd George replied:

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[1] Victor Christian William Cavendish, (1868-1938); Liberal Unionist MP; succeeded to Dukedom in 1908; a Civil Lord of the Admiralty, 1915-16; Governor-General of Canada, 1916-21; Colonial Secretary, 1922 to January, 1924.

[2] German Embassy, London, to Colonial Secretary, 3 August, 1922; Governor-General, Lord Forster, to Colonial Secretary, 10 August, 1923; Foreign Secretary to German Ambassador, Friedrich Sthamer, 8 October, 1923, C.A.O., CP 78/22, item 23/208.

[3] Hughes to Lloyd George, 17 September, 1919; C.A.O., CP 4/11/3.

> It is not our fault that, owing to unfortunate action of American Senate, constitution of Council of League of Nations has been so long delayed and now appears altogether in jeopardy. I am sincerely sorry for the embarrassment which the delay causes you, but I can assure you that it is intolerably embarrassing to us too in many ways, and that speaking for myself I have left no stone unturned to put an end to it.[2]

There was to be some twelve months of negotiations between Great Britain and Japan before Japan admitted defeat. In December 1919 at a meeting of the Supreme Council of the Allies, a draft Convention conferring the Mandates on the southern Dominions was submitted. There was no provision for equal opportunities for trade and so the Japanese delegate maintained his reservation. Eyre Crowe pointed out that the Japanese delegate argued that the 'B' Mandate included the clause respecting equal opportunities for trade and commerce and thus the Japanese did not see why that clause should be excluded from the 'C' Mandate.[3]

In June 1920 the Japanese Ambassador at London proposed that Japanese rights should not be treated on a national basis but on a most-favoured nation basis. In July while at the conference at Spa, Curzon informed Balfour that he had suggested to Chinda that perhaps the best that could be offered was a guarantee that Japanese rights which had been established in the mandated area before the War should be preserved.[4] Curzon believed Japan's delaying tactics were calculated to gain her way by exhausting the patience of her rivals. He repeatedly told Chinda at the conference that this was the best Japan could hope for and he could not guarantee its acceptance by the Australians. Milner approved and minuted that Balfour should be informed and it should be impressed upon him that 'if we do not successfully fight the battle of Australia in the matter there will be trouble'.[1] The Japanese countered the Spa terms by a demand not only for the rights enjoyed under the German administration but also the right to load and unload at Rabaul and to acquire, own, and operate copra plantations. In return for this they were prepared to make a declaration that they had no intention of sending emigrants to those areas.[2]

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[1] Governor-General to Colonial Secretary, 15 November, 1919; CAB 24/94/17.

[2] Colonial Secretary to Governor-General, transmitting message from Lloyd George to Hughes, 19 November, 1919; C.A.O., CP 4/11/3, and Ibid., item 18.

[3] Eyre Crowe, telegram, to Foreign Secretary, 24 December, 1919; cited in Ashton - Gwatkin, 'Racial Discrimination and Immigration', 10 October, 1921.

[4] Ibid., p.20.

There was no immediate visible reaction on the part of the Australian Government. However Hughes pressed on with arrangements to send Senator E.D. Millen, a former Defence Minister, and currently Repatriation Minister, as Australia's sole delegate to the Geneva meetings of the League due to meet in November. He was also to represent Australia at any British Empire Delegation meetings held in conjunction with the League.[3] At least the Morning Post sensed what was in Hughes's mind. It pointed out as early as August that Australia was most uneasy over the state of affairs with regard to the question of the Mandates. There was in fact, it reported, 'a secret diplomatic struggle ensuing' and the appointment of Australia's representative to the League was part of it.[4]

While Millen was on his journey Hughes cabled to him when he reached Toulon, as Millen requested further instructions. Hughes pointed out that he should resist any attempt to amend the Covenant on Mandates and to oppose Curzon's 'last resort' of submitting the issue to arbitration by the League. 'There is nothing to arbitrate about', he explained. At any rate Curzon's formula contained errors concerning Australia's view with respect to the rights of aliens in Australia. With the deletion of the offending clause, Hughes informed Millen, Australia was prepared to accept Curzon's formula 'since it leaves things as they are'. Hughes then, was prepared to negotiate on the following basis on the contentious clause:

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[1] Curzon to Balfour, 24 July, 1920 and Milner's Minute of 23 July; Balfour Papers, B.M. Add MS 49734, ff.201-5.

[2] See Curzon, Spa, to Eliot, Tokyo, 7 July, 1920 and Milner to Munro Ferguson, 21 August, 1920 enclosing correspondence with the Japanese Foreign Minister, Viscount Uchida. See Piesse, 'Mandate for German New Guinea - Japanese Proposals of 4 August, 1920', SC 374/120; C.A.O., CRS A981, League of Nations, Mandates.

[3] Hughes to Prime Minister, Canada, 7 October, 1920, informing him that Australia had a sole delegate; C.A.O., CP 360/9/4.

[4] The Morning Post, Australian correspondent's report, 13 August, 1920.

> Nevertheless persons, including companies and associations who are nationals of States which are original members of the League of Nations and who, before August 1st 1914, were resident or held property in the territory, subject to the mandate shall not without just compensation be obliged to leave the territory or be deprived of such property or prevented from carrying on business therein.[1]

Meanwhile Hughes had informed Milner of the Australian Government's rejection of the latest Japanese proposal which was an attempt 'to introduce *(the)* thin edge of the wedge of racial equality' and to apply the trade conditions of the 'B' Mandates in the 'C' Mandates neither of which was intended by the Covenant:

> Commonwealth Government cannot agree to grant Japanese subjects any rights inconsistent with the general policy of the Commonwealth in regard to the Islands. The suggestion that there should be a recognition of so-called vested rights and interests, either such as were in existence prior to 1 August, 1914, or subsequent, cannot be entertained. We are starting with a clean slate. Every claim, whether by British nationals or others, to any interest or right, will be considered on its merits, and Commonwealth Government can make no general exemption in favour of Japanese.
>
> Although there is no intention on the part of Commonwealth Government to exclude Japanese vessels from having access to the port of RABAUL, any more than there is any intention to exclude British, French, or American vessels, we claim the

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[1] Hughes to Millen, Toulon, 29 October, 1920; C.A.O., CP 447/2, item SC 18.

> right to make such laws in respect to trade as we please, and trade includes navigation; therefore cannot give undertaking in this respect.[1]

Millen was not impressed with the early meetings of the Assembly of the League. He had, on the question of Mandates, formally invited the chief British delegates to convene a meeting with a view to ensuring their united opposition to any claim by the Assemnly to deal with Mandates.[2] Hughes was greatly impressed by such initiative and tactics, and congratulated him. '"Hands off"', he explained, 'must be Australia's message to the Assembly' with respect to the Mandates.[3] At the Meeting of the British Empire Delegation at the end of the month, Millen conveyed Hughes's instructions. It was agreed that Balfour should handle the matter on that basis.[4]

Finally the Japanese did give way, but not without conditions and a protest. They agreed to accept the terms of the 'C' Mandate if an assurance could be given that Japanese interests and navigation in New Guinea would not receive worse treatment than they did in Australia. Millen cabled that this was in 'liberal conformity' with Article XXII and as the Navigation Act relating to coasting rade could be made to apply to trade between the Islands and the mainland, he recommended acceptance.[5] Hughes duly cabled his agreement but it was received the day after[6] the Japanese had given way and had at the same time delivered their note of protest:

> That decision, however, should not be considered as an acquiescence on the part of His Imperial Japanese Majesty's

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[1] Governor-General to Colonial Secretary, incorporating Prime Minister's message, 12 November, 1920. My emphasis.

[2] Millen to Hughes, 16, 18 November, 1920; C.A.O., CP 447/2, item SC 18.

[3] Hughes to Millen, 23 November, 1920; C.A.O., CP 447/2, item SC 18.

[4] B.E.D., 47, 29 November, 1920; CAB 29/28/38.

[5] Millen to Hughes, 9 December, 1920; C.A.O., CRS A2219, vol.XIX.

[6] Hughes to Millen, 18 December, 1920; Ibid.

> Government in the submission of Japanese subjects to a discriminatory and disadvantageous treatment in the mandated territories, nor have they thereby discarded their claim that the rights and interests enjoyed by Japanese subjects in these territories in the past should be fully respected.[1]

Nevertheless a relieved and jubilant Hughes cabled his heartiest congratulations to Millen: 'It was a great personal triumph for you'.[2]

Senator Millen emulated his Prime Minister during the discussions over the Japanese objections to the 'C' class Mandates, arousing the ire of the Japanese through his references to the 'White Australia' policy. Just as Hughes at Paris had raised the ire of the Japanese so Millen at Geneva in 1920 revived memories of the Prime Minister's remarks and Australia's racial prejudices. What happened was quite simple. Viscount Ishii, in an interview with the Geneva correspondent of the New York Evening Post, pointed out that Japan did not believe the time was propitious to re-open the question of 'racial equality'. A 'more opportune moment', he explained, would arrive when Japan's 'education' of Californians, Canadians, and Australians had borne fruit.

Australia was labelled as the most bitter opponent and the British Dominions were held responsible for the failure at the Paris Peace Conference.[3] The same correspondent interviewed Millen. The Senator refuted Ishii's predictions. He was reported as stating that 'Australia's opinion was unalterable as far as the Japanese are concerned. There can be no opportune moment in the future when we shall think differently'.[4] Piesse in his review of the issue commented that no doubt Millen was misreported.[1] He predicted 'bitter comment most damaging to the relations of Australia and Japan'. Coupled with Sir Joseph Cook's remarks earlier in the year and Hughes's remarks in 1919 Piesse believed the remarks of Australian statesmen attracted more adverse comment in Japan than the remarks of American public figures.[2]

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[1] Millen to Hughes, 13 December, 1920; Ibid. The Japanese gave way on 17 December. Evidently they supplied the British with their note of protest during the last days of negotiation.

[2] Hughes to Millen, 21 December, 1920; C.A.O., CP 447/2, item SC 18.

[3] Australian Press Association report, New York, 3 December, cited in the Argus, 4 December, 1920.

[4] Ibid.

It was because Piesse held that such remarks damaged Australia's relations with Japan and that Japan was not really out to challenge the 'White Australia' policy that he proposed certain modifications to the policy.[3] Hughes, as we have seen, utterly opposed the suggestions, labelling them 'rot'. This memorandum among a number of others had been prepared for use by the Australian delegate at the League. Millen must have been just as concerned as Hughes for he cabled his consternation to the Prime Minister. He considered the modifications so severe that they were tantamount to a 'whittling away of existing provisions' and indeed would result in the 'complete abandonment' of the policy. Hughes cabled his agreement and instructed Millen to 'take no notice of them'.[4]

Australian policy then, was dedicated to the preservation of the 'White Australia' policy on the mainland and indeed to its application to the Territory of New Guinea. The Immigration Restriction Act of 1921 included provisions for its enforcement in the mandated Territory. It is of more than passing interest to note that the Act as amended the year before, contained a clause which excluded the nationals of ex-enemy Powers from the Australian mainland and the mandated Territories for a period of five years.[5]

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1. Piesse 'Senator Millen's Interview with N.Y. "Evening Post" on Racial Equality', 27 January, 1921; C.A.O., CRS A981, item Mandates 8, Old.

2. Piesse, 'Japanese Opinion and the Speeches of Australian Public Men', 7 October, 1920; C.A.O., CP 447/2, SC 18.

3. See Piesse, 'Japan and Australia', Foreign Affairs, pp.11-12, 'Discrimination against Persons of Non-European Race in Australia', 1 September, 1920; C.A.O., CP 447/2, SC 42.

4. Millen to Hughes, cable from R.M.S. 'Orsova', 17 October, 1920; Hughes's pencilled reply attached, C.A.O., CP 447/2, item SC 18.

5. Immigration Restriction Act, 1901-1920, (3) (g), and 1901-1921.

The question of Indian immigration complicated matters for the Dominions, especially South Africa and Australia. Reference already has been made to the reciprocal arrangements of April 1919 whereby Indian merchants, students, and tourists could stay indefinitely, on the expressed understanding that the Indian Government would not press a claim for permanent settlement.[1] In March 1920 Leo Amery, Milner's assistant at the Colonial Office, relayed the Secretary of India's request that the above arrangements be extended to the Mandated Territories.[2] In May 1921, on the eve of the Imperial Conference, the Colonial Secretary was informed that Australia had agreed to extend the arrangements to include its mandated Territories.[3]

The Exclusion of American Interests.

In November 1920 Millen warned Hughes that the Americans expected the 'Open Door' to operate in all mandated Territories.[4] Many months later, in August 1921 the Americans repeated this request specifically in relation to 'C' Mandates. The Australians were informed via the Colonial Secretary that the United States presumed that they would be granted most-favoured-nation status in all 'C' Mandated Territories. Further they held that grants of monopolization of natural resources by the mandatory power itself should be prohibited.[5] Now, the 'Open Door' has been guaranteed to 'B' Mandates only; Article 22 of the Covenant obliged the 'B' mandatory power to 'secure equal opportunites for the trade and commerce of other Members of the League'. There was no such stipulation for 'C' Mandates. On the face of it, therefore, it was a surprising request.

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[1] Governor-General to Colonial Secretary, 10 April, 1919; SC 443/5.

[2] Amery, for the Colonial Secretary, to Governor-General, 23 March, 1920; C.A.O., CRS A981, item League of Nations Mandates - General. I. Amery was Parliamentary Under-Secretary for Colonies during 1921-2.

[3] Governor-General to Colonial Secretary, incorporating a message from the Prime Minister to Secretary of State for India, 31 May, 1919; C.A.O., CRS A2219, vol.XIX. In Hughes's absence at the Imperial Conference, Sir Joseph Cook handled the matter.

[4] Millen to Hughes, 29 November, 1920; C.A.O., 447/2, item SC 18.

[5] Colonial Secretary to Governor-General, 24 August, 1921; C.O. 886/9. See also United States Foreign Relations, 1921, vol.II, p.106.

Hughes may not have been surprised however, some twelve months later when the Americans protested to the British with regard to the restriction of the sale of ex-enemy properties to British subjects or companies and the reservation of oil deposits for the mandatory power. Further, the Americans requested equality of rights to the phosphate deposits of Nauru. Hughes contacted Massey of New Zealand so that a joint note of protest could be directed to Britain on the following lines:

> As our Governments are responsible for all costs of administration, we cannot admit for one moment that another country can exploit territories and exhaust wealth whilst bearing no financial responsibility either now or in the future. We cannot recoup ourselves in the event of a deficit and our experiences in Papua indicate that late German New Guinea will be an expensive acquisition to the Commonwealth.[1]

Bruce who followed Hughes requested the Colonial Secretary in 1923 to defer the matter till the Imperial Conference scheduled for that year could consider the question.[2] Hughes's policy was upheld for in 1925 the Americans were answered finally by the British, speaking for the Empire, to the effect that the American requests could not be granted.[3]

That Hughes's Government kept an eye on the possibility of oil in the Territory of New Guinea is borne out by the number of confidential and secret reports that reached the Government during the War and especially in the immediate post-war period. In May 1919 Hughes specially cabled from Paris to Australia to ensure that all references to the reports of discovery of oil in New Guinea should be censored.[1] The Melbourne Age the previous week had carried an article on the war-time discovery of oil in the Territory.[2]

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[1] Hughes to Massey, Draft Cable, 7 September, 1922; C.A.O., CRS A981, item Mandates 6.

[2] Prime Minister to Colonial Secretary, 27 March, 1923; Ibid.

[3] See United States Foreign Relations, 1925, vol.II, p.216, cited in Werner Levi, American - Australian Relations, (Sydney, 1958), pp.125-6.

Admiral Jellicoe in the secret chapter of his Report regarded oil as yet another reason as to why the Japanese might wish to regard New Guinea as an objective in a future war.[3] While at Paris Hughes drew up plans to promote the search for oil in partnership with the British Government through the Anglo-Persian Oil Company.[4] Subsequently, the Commonwealth Oil Company of Australia approached Hughes with the proposal that it should be associated with the venture, being a local firm. The firm applauded Hughes's efforts to gain independent oil supplies and petroleum. That Australia currently was 'at the mercy' of America for the supply of oil, the company argued, was sufficient reason to promote an Australian firm.[5] At much the same time, Admiral Grant the First Naval Member, remininding Hughes of Jellicoe's recommendations, pointed out that the defence of Australia, given its peculiar situation, depended on independent supplies.[6] Hughes did not need to be prodded. When it came to ousting the enormous overseas combines, private and national, from Australia he was always in the vanguard protecting local economic interests.

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[1] Hughes to Acting Prime Minister, 4 May, 1919; C.A.O., CP 290/3/1.

[2] The Age, 30 April, 1919; C.A.O., Melbourne, MP 1049/1, file No. 19/036.

[3] Jellicoe Report, Chapter 4; Hughes Papers, N.L.A., MS 1538. His prediction proved quite correct with respect to the Dutch East Indies.

[4] 'Agreement between His Majesty's Government and the Government of the Commonwealth of Australia', Hughes, Long, Anglo-Persian Oil Company, 7 July, 1919; C.A.O., CRS A2219, vol.XX.

[5] Commonwealth Oil Company to Hughes, 13 May, 1920; Hughes Ppaers, MS 1538/136/7.

[6] Admiral Grant to Hughes, 1 May, 1920; C.A.O., CRS A981, Defence 350, Part I.

The British Ambassador at Washington, Sir Auckland Geddes, wrote to Curzon in July 1920 warning him of the powerful American interests at work lobbying their Government to acquire oil concessions abroad. Here was the explanation for the pressure by the American Government to force the hand of the British with respect to 'C' Mandates and the 'Open Door'. Geddes warned that United States business agents abroad would be protected by their Government in the pursuit of concessions. He predicted 'aggressive action by American Consuls and strenuous activity, divorced from scruple, on the part of American business agents and representatives throughout the world'. Geddes concluded that the American Executive could 'no more control the oil interests than a young girl can physically hold a charging bull'.[1]

On a similar tack, the danger to Australian interests by the presence of Asiatics in the islands of the Pacific and particularly from their competition with Australian trade prompted Piesse to advise the Prime Minister that the time had arrived to take action. He requested that the British Government should be approached to ensure that before any commercial treaties giving rights to aliens in British possessions in the Pacific were arranged, the Commonwealth should be consulted.[2] Hughes did take up the suggestion but added his own characteristic rider:

> Many British possessions in the Pacific are in positions having a strategic importance for the defence of the Commonwealth, as for instance the British Solomon Islands, which are as important in regard to the defence of the Commonwealth as the former German possessions to the north

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[1] Geddes to Curzon, 29 July, 1920; C.A.O., CRS A2219, vol.XX.

[2] Piesse, Memorandum, 'Treaties Giving Rights to Foreigners in British Possessions in the Pacific', July 1920; Piesse Papers, N.L.A., MS 882/3/10.

> and west of them. Foreign powers having aggressive designs against the Commonwealth might seek to make use of the Islands in times of peace in preparing their plans against the Commonwealth. Many of the islands are isolated and rarely visited, and no administrative supervision could be an adequate safeguard against such use of them.[1]

It was Churchill, over a year later, who replied. He believed that Britain had maintained ample safeguards for Dominion interests in this respect before the War and would continue to do so in the same way. He counselled Hughes to place his views with respect to any new commercial treaty which Britain might arrange, at the time of the negotiations so that the Commonwealth's views could be taken into account.[2] It was something of a rebuff. But Hughes, no doubt, with the memory of the patient, persistent, and subtle pressures applied by the Japanese on Australian officials to secure Australia's adherence to the Anglo-Japanese Commercial Treaty was simply being doubly sure. This was his nature.

Hughes's Australian Monroe Doctrine for the South Pacific in relation to the mandated Territories meant the expulsion of the German planter and trader; the exclusion of Japanese interests and lastly, perhaps surprisingly, the rejection of the United States's expectations of a share in the exploitation of the resources of the mandated Territories. If any nation was to exploit the South Seas, it was to be the Australians in association with the Anglo-Saxons.

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[1] Governor-General to Colonial Secretary, incorporating a message from Hughes', 7 July, 1920; C.A.O., CP 78/22, item 21/15.

[2] Colonial Secretary to Governor-General, 13 May, 1921; C.A.O., CP 78/22.

II The 1921 Imperial Conference,

(a) The Pre-Conference Debate.

(i) Defence in the Post-War Period in Australia.

In the Prime Minister's speech on the Treaty of Peace, he referred to Australia as an 'outpost of Empire, a great continent peopled by a handful of men, called upon to defend' its 'White Australia' policy at the Peace Conference. This basic doctrine upon which Australian society was based had been 'nailed to the very topmost of our flagpole'. During the course of the debate it was pointed out that Australia had moved into 'frontiers northward to Rabaul but the frontier of Japan has been brought southward 3,000 miles to the equator, until their front door and our back door almost adjoin'.[1]

Hughes recognized that a white Anglo-Saxon outpost of Empire in the south Pacific such as Australia, still required the British Navy as its first line of defence. It was axiomatic. However, the British found it necessary to economise on a national scale in the post-war years. In 1921-1922 the so-called 'Geddes Axe' by which the former First Lord earned himself a place in history, chopped back drastically on the Navy Budget.[2] Austen Chamberlain, the Chancellor of the Exchequer in these years, recommended cutbacks in naval expenditure in the Far East and in general. There was no real threat in the East, he believed:

> Japan may be suspected by some to have ambitious designs in the Pacific which in the long run will bring her into collision with this country. But apart from the difficulties of her relations with the United States of

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[1] Treaty of Peace Debate, 10, 19 September, 1919, C.P.D., LXXXIX, pp.12164-79 and 12606-12.

[2] Geddes in 1921-22 was the chairman of the 'Geddes Axe' committee on national economy; see Dictionary of National Biography.

> America, the improbability that she could go to war with Great Britain without also bringing in the United States of America, and the fact that she has remained loyal to the alliance despite all temptations during the war.... A coup de main by Japan, if such were contemplated, could not be anticipated by any Fleet action even under the intended Admiralty disposition of the Fleet, and an interval would have to intervene during which we should collect our ships for an Eastern expedition.[1]

Lloyd George accepted this appreciation. He too, while seeing Japan as a 'country of some potential danger', did not envisage any real problem in preserving the peace with her. British policy, he concluded, should be directed towards 'averting trouble, particularly in regard to China, between our Japanese and American friends'.[2] The War Cabinet in fact as early as August 1919 had adopted the thesis that the British Empire would not be engaged in any great war in the next ten years.[3]

At much the same time, on the Australian scene, Munro Ferguson commented on the problem of post-war finance facing Hughes. Repatriation and the war gratuity alone would be close to one hundred millions. And this was excluding the implications of the Jellicoe Report for the defence of the Continent. Meanwhile, he assessed, 'we are perfectly defenceless against Japan'.[4] When the Australian Naval Budget was cut for the period 1920-21, the Naval Board led by Grant protested vigorously. There can be no doubt of Hughes's sincerity with respect to the views he held on the defence requirements of the nation despite this threatened cut-back in naval expenditure. Hughes was caught by the 'huge indebtedness', the need for post-war reconstruction from a war-time footing to one of normalcy and the growing signs of an economic slump. There is little wonder therefore that he

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1. 'Navy Votes' Memorandum, 8 July, 1919; CAB 24/83.

2. 'Towards a National Policy', 17 July, 1919; CAB 21/159.

3. War Cabinet Meeting, Conclusions, 15 August, 1919, War Cabinet 616; CAB 23/15.

4. Munro Ferguson to Milner, 12 October, 1919; Novar Papers, N.L.A., MS 696/1213.

informed British authorities of his dilemma. He was not alone, as we have observed, for Britain was at this very time wrestling with similar problems on a far larger scale. The note of despair is obvious:

> Australia is in common with all other countries circumscribed by financial considerations. This applies equally to naval and military defence schemes. The limitations imposed by finance are for the time being at all events insurmountable. But quite apart from this consideration Commonwealth Government finds itself unable to determine how moneys available for naval defence can best be utilized. It is groping in the dark. It does not know for example whether Britain approves the whole or any part of Lord Jellicoe's scheme, nor has it any information as the intentions of New Zealand, South Africa, Canada in regard to this or any naval policy.[1]

A couple of months later, during the debate on Australian defence policy and the associated debate on defence expenditure, Hughes enunciated his firmly held and long held doctrines on the defence requirements of the nation and the probable threat that came from the Far East. A crowded Asia, an under-developed, under-populated, and isolated 'White Australia' were ingredients for an inevitable confrontation. If the League of Nations had been unable to assist the newly created state of Poland despite the closeness of a sympathetic France what could it do for Australia? Hughes placed no trust in the League on matters of defence. He had therefore every reason to 'keep his powder dry':

> The most vital point of our policy is...a White Australia.... We must always be ready to defend this principle. We cannot hope to maintain it merely by pious or blatant declaration or our intentions. Behind all this there must be some force - the utmost resources of the nation...
> Until 1906, the centre of the Empire's naval policy was in the Mediterranean. After 1906, owing to the menace of the Germany navy it shifted to the North Sea. As a result of the

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[1] Prime Minister to Colonial Secretary, 3 July, 1920; C.A.O., CP 290/15/4. My emphasis.

> war, the centre of gravity has again shifted. Between 1906 and 1920 the Pacific has assumed a new importance...[1]

In the course of his explanations Hughes intimated that compulsory military training would be resumed in a slightly modified form in comparison with the pre-war Scheme. As Senator Pearce the Defence Minister explained, men who had served in the War in the A.I.F. were exempted from further training. The Government was determined to maintain the principle of building its forces upon a 'Citizen Force' basis. Universal training would accomplish this. Permanent troops would only be maintained in sufficient strength to administer and instruct the Citizen Force. He was satisfied this would in time meet the requirements of the Army, and would be acceptable to the nation for it had been in use for the past nine years. Voluntary re-enlistment, so that men of the war-time A.I.F. could become the basis of the scheme, was to be re-opened. However, in the interests of economy the war establishment could only be two thirds of the number recommended by the Army.[2]

Just as the Army had chopped back on the number of men under arms so the Navy almost halved the war strength of its fleet - from 27 ships to 16.[3] As W.H. Laird Smith, Navy Minister explained, the 'huge indebtedness' of the Commonwealth had to be taken into account. He recognized the inadequacy of the current spending levels but firm decisions would be suspended 'pending the decision of the Imperial Conference' to be held next year.

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1. Hughes, C.P.D., vol.XCIII, 9 September, 1920, p.4386-94.

2. Senator Pearce, C.P.D., (Senate), vol.XC, 17 September, 1920; p.4710.

3. '"Naval Defence", Statement Explanatory of the Naval Estimates, 1920-21', 23 September, 1920; C.P.P. 1920-21, vol.IV, p.73 ff. Laird Smith took over from Sir Joseph Cook in July 1920 who now filled the Treasury seat vacated by Watt who in turn has resigned while overseas. Watt's Mission was to settle outstanding financial problems, handle sundry contracts and represent Australia at the B.E.D. Meetings which discussed among other matters policy at Spa and Brussels. His main complaint was 'differences' with his Australian colleagues. Instructions and counter-instructions reduced him to cypher. See 'Mission and Resignation of W.A. Watt, 1920', C.A.O., CP 4/11. In June, Hughes announced the appointment of the new Governor-General, Baron Forster of Lepe; see the Argus, 16 June, 1920.

Meanwhile, the 'sea-spirit' of Australia ought to be kept alive. After the Conference it would be expected that a long term policy would be established.[1]

The 1921-22 Budget reduced the Naval Estimates by a negligible amount and the Military Estimates were maintained. However, in order that expenditure would not exceed the previous year's levels, the programme of compulsory military training had to be reduced.[2] The Round Table provided the explanation: 'The Prime Minister though backed by his experienced Minister of Defence was unable to carry his Cabinet with him'.[3] Financial exigencies had dictated policy. By April 1921 Hughes himself had referred to Australia as standing 'on the verge of the most serious state of economic affairs the country had experienced'. Just prior to the Imperial Conference while still stressing the danger in the Pacific as vigorously as ever and advocating renewal of the Anglo-Japanese Alliance, he saw the Alliance as a way out of the financial impasse as far as defence was concerned:

> Quite recently a statement was made by the British Government of a most pretentious character, so far as Australia and the Empire are concerned. It was that Britain was no longer able to maintain the navy at the strength necessary for the complete protection of the Empire, and that the Dominions must do their share.... To Rome there came a crisis similar to that which now confronts us. The Roman legions had invaded Britain and held it for some centures, but the onslaught of the barbarians made it imperative that the overseas legions should be withdrawn in order to protect the citadel of the Empire. The Romans withdrew and Britain was left to her own resources with the result we know of. What can Australia do? What is Australia to do in this crisis? The position could hardly be graver....
> It is perfectly well known that the Japanese - an ambitious and an intensely, passionately, patriotic people - have imagined that they have causes for quarrel, or, rather, of complaint with ourselves because of our policy of a

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[1] 'Navy Estimates 1920-21,' Statement of the Minister of the Navy explanatory of the Naval Estimate, 1920-21; Hughes Papers, N.L.A., MS 1538.

[2] Sir Joseph Cook, Budget Speech, C.P.D., vol.XCVII. September, 1921, pp. 11592-4; 'Naval Defence Statement Explanatory of the Estimates of 1921-22', C.P.P., 1920-21, vol.IV, p.83.

[3] Round Table, no. XLVIII, September, 1922, p.880.

> White Australia. And as we have seen lately, there has been much talk of strained relations between the United States of America and Japan. Now in this last lie the germs of great trouble, with possibilities of infinite disaster to this world....There is rivalry openly expressed between those two great nations, the United States of America and Japan. America has said that she must have a navy sufficiently strong to defend herself. To defend herself against whom? She has left the world in no doubt, or in very little doubt, on this point. And these things concern and disturb us greatly....What is the ideal at which we are to aim at this (Imperial) Conference, and elsewhere, by every means at our disposal? It is, as I see it, a renewal of the Anglo-Japanese Treaty in such form - modified if that should be deemed proper - as will be acceptable to Britain, to America, to Japan, and to ourselves......
>
> If we cannot secure a satisfactory Treaty, then it is obvious that any adequate scheme of naval defence will involve us in much greater expenditure, and this at a time when our resources are strained to the uttermost. As I have already said, there is much cry at the present time about economy. This is a question to which economy can most hopefully look for success. A satisfactory treaty would lessen the expenditure of Australia by millions per annum. Failure would throw upon us obligations that I venture to say could hardly be shouldered by five millions of people.[1]

(ii) The Anglo-Japanese Alliance in the Post-War Period.

In the East, Britain, the United States and Japan were now the leading naval powers. The most pressing problems were the condition and fate of China, for the rise of Japan had upset the balance of power in the Orient. Japanese expansion and opportunism threatened the stability of the region for Japan appeared bent on establishing its own sphere of influence there - a veritable Monroe Doctrine for East Asia. British statesmen, Roger Louis has concluded, believed their commerce, trade, and strategic position in the Far East would 'suffer catastrophically' if Japan was allowed to reduce China to a 'vassal State'.

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[1] Hughes's speech on the Anglo-Japanese Alliance, C.P.D., vol.XCIV, 7 April, 1920, p.7262 ff. See Sissons, 'Attitudes to Japan and Defence' for a full treatment of this aspect.

However, in the 'broader spectrum' of the Far East and the Pacific, despite the deep reservations about Japanese policy, a continuation, a renewal of the Anglo-Japanese Alliance in 1921 was considered on balance, to be the most sensible policy.[1] As Lord Curzon commented, the renewal of the Alliance in some form would provide Britain with the opportunities of restraining, guiding, and indeed gaining a controlling influence over her policies:

> Our naval position in the Pacific renders it desirable to have a friendly Japan, while the existence of some form of agreement with that country would also make it easier for Her Majesty's Government to keep a watch on her movements in China, to demand of her, in her dealings with us a greater measure of freedom and frankness than it would otherwise be possible to expect, and to exercise a moderating influence on her policy generally'.[2]

Some weeks later Curzon admonished the Head of the Far Eastern Department of the Foreign Office for producing a memorandum highly critical of the Japanese. C.H. Bentinck who compiled the memorandum amended it, toning down the case against Japan and bringing out more clearly the fact that, to use Curzon's phrase, the Japanese had 'attempted to play the game'. Curzon counselled Bentinck to reflect on what would happen were the Alliance abrogated. He predicted the following alarming possibilities:

> A hostile and suspicious Japan may be a great nuisance - in China and India - As it is we can keep watch on her intrigues mitigate her aggressiveness and from time to time offer useful support. Japanese statesmen are very sensitive on points of honour and though they drive a hard bargain and are not instinctively moral yet they

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[1] Roger Louis, British Strategy in the Far East 1919-1939, (Oxford, 1971), chapter I, 'Trade Rivalry in China and the Anglo-Japanese Alliance', pp.17-49. See also Lowe, Mirage of Power, vol.II, pp.297-303, and M.G. Fry, 'The North Atlantic Triangle and the Abrogation of the Anglo-Japanese Alliance, 'Journal of Modern History, vol.XXIX, no.1, pp.46-64.

[2] Curzon, Minute on Memorandum by Ashton-Gwatkin, 23 March, 1920; F.O. 371/5538 *(F.304/199/23)*. See also Dignan, 'Australia and British Relations with Japan, 1914-21', pp.135-150 for a detailed analysis of this duality in British policy.

have attempted to play the game'.[1]

American-Japanese relations at this time had been embittered by the immigration issue, by the refusal of the United States to recognize Japan's Mandate over Yap,[2] and above all by naval rivalry in the Pacific. The immigration issue crystallized late in 1920 when the California Legislature passed a bill which prohibited Orientals from acquiring land. This snowballed throughout the western states of America. Japan protested vigorously, but not nearly as vigorously as on previous occasions. Ashton-Gwatkin concluded that there was nothing to gain in China by 1920, to warrant the most energetic protestations[3] - hence the weak protest on this subject.

For some years now Japan and the United States had been engaged in a naval race. Japan's naval expenditure had soared between 1917 and 1921. It rose from eighty-five million dollars to two hundred and forty-five millions. The United States spent one hundred and thirty-seven million dollars in 1914 and this had more than trebled to match the rate of the Japanese, to four hundred and thirty-three millions. Significantly, the United States after the War assigned half of its Fleet to the Pacific. There could be but one reason: Japan's growing naval power. As it was, even with these additions the Japanese possessed superiority. Added to this the Americans possessed no base nearer to Japan and the Philippines than Hawaii.[4] Consequently Britain's relationships with the United States were poisoned over the maintenance of the Anglo-Japanese Alliance. As Sir John Tilley, an assistant-secretary at the Foreign Office, remarked in December 1919:

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[1] F. Bentinck, 'Foreign Office Memorandum on the Effect of the Anglo-Japanese Alliance upon Foreign Relationships', 28 February, 1920, Amended Copy; minutes by Hardinge, Curzon and Bentinck, 8 and 10 March; F.O. 371/5358/[177312].

[2] For the dispute over Yap see below, this chapter, III.

[3] Ashton-Gwatkin, 'Racial Discrimination and Immigration', and A.J. Toynbee, Survey of International Affairs 1924, Part B, chapter VI, (London, 1924).

[4] See Braisted, The United States Navy in the Pacific, Part II, 'From Paris to Washington'; Roskill, Naval Policy Between the Wars, pp.289-94; Nish, Alliance in Decline, pp.282-7; and Sissons, 'Attitudes to Japan and Defence'.

> Owing to Japan and the United States beingapparently irreconcilable, it is very difficult for us to work a policy in the Far East conjointly with both of them, while it is essential for us, owing to our naval weakness in the Pacific to have a friendly Japan.[1]

There were of course, implications for the Pacific Dominions in these matters. Canada, Fry points out, hoped for 'peace and stability in the Orient and feared the consequences of the antagonism existing between Japan and the United States'. She had had considerable contacts with the East which she wished to preserve. However, the Canadian Government under the leadership of the Conservative, Arthur Meighen,[2] was unalterably opposed to the renewal of the Anglo-Japanese Alliance. The Liberal Opposition too were of this opinion, so that there was a Canadian consensus against renewal of the Alliance.[3] Thus Meighen, Borden the former Prime Minister, and Loring Christie, Meighen's legal adviser in the Department of External Affairs, worked rather for a 'North Atlantic Triangle', to use Fry's term, by bringing the United States into a relationship with the British Empire. The Canadians in 1920 secured the right to establish direct diplomatic relations with the United States by the appointment of their own minister to Washington. 'The diplomatic unity of the British Empire' was preserved by the fact that this Canadian representative was part of the British Embassy at Washington.[4] During 1921-22 then, Fry concludes, Canada exerted her influence against the Alliance and demonstrated her faith in a North Atlantic combination.[5]

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1. Tilley, Minute, 8 December, 1919; F.O. 405/226/90965. This reference has also been published in Documents on British Foreign Policy, Series I, vol.VI, Document no.617.

2. Arthur Meighen, (1874-1960); Conservative; Solicitor-General, 1913; Minister for Mines then of the Interior, 1917; member of Imperial War Cabinet 1918; Prime Minister and Minister for External Affairs, 1920-21.

3. Fry, 'North Atlantic Triangle', p.47.

4. Duncan Hall, 'Diplomatic Dilemma: Canadian Minister in Washington', Commonwealth, pp.312-14.

5. Fry, 'North Atlantic Triangle', p.47.

Australians naturally were interested in the future of the Anglo-Japanese Alliance. As early as April 1920 Hughes addressed a carefully worded request to the Colonial Secretary:

> Commonwealth Government would be glad to be informed if any negotiations or conversations have taken place in regard to modification, termination, or extension of Anglo-Japanese Alliance. Commonwealth Government desires opportunity of discussing Alliance not only as it may affect questions now pending between Australia and Japan, but also as it may affect the general situation in the Far East, and in particular its bearing upon racial equality amendment of Covenant, and would be glad to be kept fully informed of any negotiations or conversations that may occur so that Australian point of view may be stated to Imperial Government.[1]

It was obvious that the problem of communications and a common foreign policy in the post-war era would be a pressing problem. As Hankey commented: 'It can hardly be doubted that diplomacy by conference has come to stay'.[2] Hughes, away from the centre of the conduct of foreign policy and excluded from the round of conferences which were shaping the post-war world, persistently cabled the British Prime Minister and Colonial Secretary for information. Late in April Hughes informed Lloyd George that press reports had stated that the San Remo Conference would re-open the reparation question. He vigorously protested against any revision of the Versailles terms on the subject. Lloyd George deliberately replied through the Colonial Secretary and rounded on Hughes:

> As to Consultation with the Dominions....I would remind you that the British Government invited every Dominion to send a representative or Minister to London for the precise purpose of obtaining information about Imperial and Foreign Affairs and reporting the Dominion views and I promised to have regular meetings of the Imperial Cabinet for the purpose. The

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[1] Prime Minister to Colonial Secretary, 21 April, 1920; C.A.O., A981, item Japan 96.

[2] Hankey, Diplomacy by Conference: Studies in Public Affairs, (London, 1946), p.38.

> Australian Government has not made use of this machinery for maintaining inter-Imperial consultation about international questions and I do not therefore understand the reproaches which you now address to me.[1]

Some days later the Colonial Secretary informed Hughes that no conversations or negotiations had taken place with respect to the Alliance but he would welcome a statement on the Australian point of view and that Australia would be informed with respect to any steps which might be taken.[2] By late June Hughes was informed that the British and Japanese Governments had officially notified the League of Nations that the Alliance was not entirely in harmony with the Covenant. Should the Alliance be continued after July 1921, the League was informed, it would be in a 'form not inconsistent with that Covenant'.[3]

By October, with the state and fate of the Alliance still up in the air and even the date and place of the forthcoming conference still being debated, Hughes cabled to Lloyd George his dissatisfaction and suggested a conference in June 1921, certainly no later than 1921:

> We ought not - in fact, we dare not - allow ourselves to drift along. The necessity for a clear understanding - policy call it what you will - on certain matters vitally affecting the same workable scheme re foreign policy. The

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1. Hughes's to Lloyd George, 28 April, and British Prime Minister to Colonial Secretary for the Prime Minister of Australia, 12 May, 1920; C.A.O., CRS A981, item Japan 96. In 1924, S.M. Bruce, the Prime Minister who succeeded Hughes, appointed R.G. Casey (later Lord Casey) as a 'liaison officer', within 'Hankey's Cabinet Secretariat rather than the Foreign Office', so that he 'saw and knew everything that was going on...'; cited by Cecil Edwards in his biography, Bruce of Melbourne: Man of Two Worlds, (Melbourne, 1965). See R.G. Casey, Friends and Neighbours, (Melbourne, 1965), pp.28-31.

2. Colonial Secretary to Prime Minister, 3 May, 1919; cited in an unsigned Memorandum, 14 June, 1920, C.A.O., CRS A 981, item Japan 96.

3. Colonial Secretary to Prime Minister, 24 June, 1920; C.A.O., CP 290/15/3.

> Dominions now are asserting themselves in a way - e.g., Canada appointment at Washington - that may lead us anywhere. Then again, the British Government shapes its foreign policy in the main without consultation with or even notification of the Dominions whose very existence may be vitally affected thereby, e.g., Egypt, India. I know, of course, the difficulties in the way of a common foreign policy are most formidable. The idea of an Imperial Parliament is chimerical, and in any case the Dominions would not look at it. I think, however, a working understanding would be possible and machinery could be devised to make this practicable.[1]

The message was sent to Milner who considered it an important contribution to the debate. It was 'quite on the right lines' he minuted, 'despite its somewhat hectic style' which was, he noted, 'very characteristic'. Hughes, he concluded had 'shown the way ahead'. Milner suggested to Lloyd George a conference in London of 'what we once called the "Imperial War Cabinet" or of some body very like it'. Milner's only doubt at this stage was Meighen for 'Canada has lately shown some disposition to "back out" of a meeting in 1921'.[2] Milner notified Hughes that he was acting on his suggestion and that the conference would be held in June 1921.[3]

That there was a continuing need for the closest consultation was demonstrated even further in November. Hughes reported to Lloyd George that press cables stated that Egypt had been granted 'what amounts to independent Government'. In the absence of direct information, Hughes pointed out, the Commonwealth was 'completely in darkness'. Hughes recognized that the matter was one which Britain had the right to settle, nevertheless, Australia was vitally affected by any change which altered the ownership or control of the Suez Canal:

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[1] Hughes to Lloyd George, 7 October, 1920; C.A.O., CP 360/9/4.

[2] Milner to Lloyd George, 8 October, 1920, enclosing Hughes's cable; Lloyd George Papers, House of Lords Record Office, MS F/39/22.

[3] Colonial Secretary to Governor-General, 1 November, 1920; C.A.O., CP 103/3/1.

> Recognising that Egypt is gateway to India, and East, including Australia, and that an independent and possibly or probably hostile Egypt in the case of strained relations with (hypothesis) (of) other nations is deadly menace to safety, dependent as it is, like all the rest of the overseas, upon the free seas, which in turn depend upon complete control by Britain or the Empire of all waterways, i.e. Suez Canal, ventures to enter its most emphatic protest handing control of Egypt to those elements which there as elsewhere are either already conspiring against the Empire or at the best are as dry tinder in harmony with the flame of Carranze (?) by conspiracy of Bolshevic, German or any other actual or potential question. I am of course quite aware that it is intended retain control of canal but quite sure effective control this narrow and most vulnerable waterway cannot (be?) maintained when and if hinterland is in possession of hostile populations. One ship sunk could block canal. To guard this waterway which is one of the main arteries imperial body, if Egypt possibly hostile, Milner would require very much larger forces than at present and these would be in almost untenable strategic position. The Government has given India a measure of self government: has it satisfied or pacified India? It certainly would not appear so.
>
> On behalf of Commonwealth, I most earnestly trust you will not alter present arrangements in Egypt, at least until I have had opportunity of discussing whole question foreign policy in its relation to overseas Dominions with you and my colleagues of other Dominions next June.[1]

Lloyd George replied that he 'concurred entirely' with Hughes's view that Britain should keep 'absolute control' over the Suez Canal. The British Cabinet in January 1921 had before it the Report of the 'Special Mission to Egypt' which Mission in the interval had conducted negotiations with the Egyptians. The Cabinet were asked to defer a final decision till after the Imperial Conference of 1921 so that the Dominions, especially Australia and South Africa, could be consulted. In view of the 'losses sustained by the Dominion troops in the defence of Egypt during the war' and of their interest in the area,

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[1] Prime Minister to Lloyd George, 18 November, 1920; CAB 24/15.

Cabinet agreed to this request.[1] At much the same time, Leo Amery had compiled a memorandum on 'A Common Foreign Policy' with the forthcoming Imperial Conference in mind. In the course of his discussion on the need for a method of securing close consultations as soon as issues suddenly arose he noted the impossibility of a solution short of a Dominion representative, a 'Resident Cabinet Minister' at the Foreign Office:

> When great issues arose e.g., the fate of Constantinople, the question of whether we should fight the Bolsheviks in defence of Poland (this suddenly arose at Spa in the middle of a reparations discussion) we had to take decisions based on no consultations with the Dominions which might well have landed us in actual war; i.e., in the very situation which arose in August 1914, which again and again been declared intolerable...it is necessary for the Dominions to be represented by someone of not less status than a Cabinet Minister... a resident Cabinet Minister...[2]

A common Imperial policy in foreign affairs certainly was on the agenda for the conference but it ranked behind the Anglo-Japanese Alliance in the first instance and naval, military, and air defence.[3]

By mid-February the Governor General of Canada had informed the Colonial Secretary of the views of his Government. They opposed renewal of the Alliance on the grounds that the original rationale behind the Alliance had vanished. On the other hand there was a great need to promote good relations with the United States. In view of the special interests of the Americans in China and the Pacific, a 'special confidential relationship between ourselves and Japan' was hardly appropriate. The Canadians proposed that the Alliance should be terminated at once; a conference of Pacific powers should be convened for the purpose of settling Far Eastern and Pacific questions. This would enable the Alliance to come to an end with 'good grace'. There was the added bonus that a 'working Pacific concert' might be a possibility.[1] Lloyd George replied that as the issue affected all the Dominions it would be best to thrash out the whole matter at the Imperial Conference before making any approach to United States.[2] The Canadian Government however replied in April that it could not accept a temporizing approach to the issue, pointing out that the 'special position of Canada in this matter' ought to be considered.[3]

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[1] Prime Minister's Secretary to Secretary of Colonial Secretary enclosing message for Hughes, n.d.; Lloyd George Papers, House of Lords Record Office, MS F/39/2/32. Conclusions of Cabinet Meeting, 4 January, 1921, CAB 23/24. Winston Churchill a few days later became Colonial Secretary; see Martin Gilbert, *Winston Churchill, 1917-22*, (London, 1975), vol.IV, for an account of this affair and for Hughes see his *Splendid Adventure*, pp.172-91.

[2] Amery, 'A Common Foreign Policy,' 17 February, 1921, C.O. 532/178.

[3] Colonial Secretary to Governor-General, 28 January, 1921; C.A.O., CP 103/3/1.

In Australia Hughes chose the Parliament as a platform for a significant address on the Alliance. Extracts were printed as a British Cabinet Paper for the important discussions which the British Cabinet held late in May on the Alliance in the endeavour to formulate their own position.[4] Hughes pointed out that last year the Alliance had been allowed to continue or else it would expire in 1921. Unless the Treaty was formally renewed it could be terminated on the expiration of twelve months notice by either party, and this would be given if it was not renewed.[5]

The Treaty really means 'everything to us', Hughes affirmed, for it was an Alliance between one power 'under whose wing we have been sheltered from the day of our birth' and a 'great Eastern Power' which had sprung up in the lifetime of the members of the Parliament. Therefore, Hughes went on, 'no man can deny that it is a thing more precious than rubies that we should have an alliance with the greatest Power in the East'. If the Australians wanted peace there was but one answer: 'we are in favour of renewal.' Yet this Alliance was anathema to the United States and the 'tragedy' was that the peace of the world depended largely on an *entente cordiale* between the two great Anglo-Saxon powers. In these circumstances the ideal objective of the conference was to gain a renewal of the Alliance 'in such form - modified if that should be deemed proper - as will be acceptable to Britain, to America to Japan, and to ourselves'.

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[1] Governor-General of Canada to Colonial Secretary, 15 February, 1921; Lloyd George Papers, House of Lords Record Office, MS F/9/3/1.

[2] Prime Minister of Great Britain to Prime Minister of Canada, 22 February, 1921; Ibid., item 4.

[3] Governor-General to Colonial Secretary, 1 April, 1920, Ibid.,item 30.

[4] Hughes's Speech, 7 April, 1920; CP 3066, CAB 21/187/218-221. It is also to be found in C.O. 418/205. I have referred to the defence sections of the speech.

[5] See below for the debate at the Conference over the confusion on this point. It was argued that in fact formal notice had been given by the joint letter to the League which intimated that the Alliance did not completely conform to the terms of the Covenant and would be altered to comply in all respects with the Covenant. The Foreign Office believed formal notice had been given to terminate the Alliance. See Nish, Alliance in Decline, pp.325-33.

Hughes had in fact gone over the agenda for the conference. On the question of so-called constitutional changes which was in the air, he argued that meddling or dabbling with a constitution was the surest way of destroying the Empire. The Dominions currently enjoyed what 'to all practical purposes amounted to independence'. However, he went on, it was just as important to emphasise that 'while boasting of their independence *(they)* passionately insist they *(are)* parts of an Empire one and indivisible'.[1]

The address was, as the young writer Duncan Hall[2] admitted at the time, 'a weighty and statesmanlike speech'. Moreover, it was approved by Parliament and, if the Press was any indication of public opinion approved by the people.[3]

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[1] Hughes, *C.P.D.*, vol.XCIV, 7 April, 1920, p.7262 ff.

[2] Duncan Hall, (1891-); 1917-25, attached to the universities of Oxford and Sydney; 1927-39, League of Nations Secretariat; 1940 Harvard University.

[3] The *Age*, *Sydney Morning Herald*, *Brisbane Courier*, *West Australian Advertiser*, (South Australia), 8 April, 1920; C.A.O., CP 290/15/4. See Duncan Hall, *Commonwealth*, pp.344-6.

Duncan Hall had also published a series of six articles in the leading newspapers throughout Australia and the Dominions on the current state of imperial relations. He was critical of the fact that Hughes had not publicized the 'new status' which the Dominions had attained even though the Canadians had thought it fit to make their people aware of them. The fault, Duncan Hall concluded, lay not only with Hughes but with 'all the politicians who have had control of our affairs during the last few years'. There was but a 'vague and nebulous' knowledge of these changes. Duncan Hall argued that there should be an informed discussion on the changed status of the Dominions in the context of the issues to be discussed at the forthcoming conference. Then decisions at the conference would be the result of an intelligent appreciation of the real situation.[1]

The Round Table also adopted this line of criticism. It pointed out that the Prime Minister avoided debates on constitutional relations and indeed on external relations in general. Parliament had been in recess between the end of December 1920 and the beginning of March 1921 but since the 'perfunctory' debate on the ratification of the Peace Treaty there had been 'no real discussion' on foreign affairs and Imperial relations in the parliament, the anonymous author affirmed:

> No Minister had attempted to analyse the new status which the Dominions were said to have acquired at the Peace Conference by their separate representation, and by their

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[1] Duncan Hall's six articles were published in the Sydney Morning Herald and other newspapers between 28 March and 2 April, 1920; see 'Conference of Prime Ministers,' London, June 1921; C.A.O. CP 290/15/14. Eggleston also published on the subject in the Argus, 23 June, 13 November, 1920 and 12, 26 February, 1921.

> membership of the League of Nations, or to express an official opinion on the renewal of the Anglo-Japanese Alliance, the one problem of foreign affairs in which Australia was directly interested. Newspaper readers were familiar to some slight extent with the interpretation placed upon the new status by General Smuts, Sir Robert Broend, and Mr. Meighen, but with a few exceptions, they were quite ignorant of the theory of constitutional relations promulgated at Paris and of the manner in which this theory had been affected in correspondence between the Imperial Government and Dominion Ministers.

Furthermore, 'newspaper correspondents of high authority' (a veiled reference to Duncan Hall?) had called on Hughes to state his views on all these matters, and to table documents in Parliament relevant to them. Even though Hughes appeared to have complied with this request, they were not tabled until the debate was over and it was not until the last day that parliamentarians were shown the 'Agenda Paper' of the conference and the cables exchanged with the Colonial Secretary which had led to the conference being summoned.

Despite these strictures the Round Table accepted that on 'foreign affairs and on defence - as well as on the attitude of Australia to the rest of the Empire - he has expressed the views of the Australian people'. Further, Hughes as Australia's representative carried with him a 'precise authority not hitherto obtained by any Australian delegate'.[1] Specifically on the question of the Anglo-Japanese Alliance another writer completely agreed with Hughes's assessment.[2] Japanese newspaper comment also did not find 'much to quarrel with in his speeches'. This was Piesse's assessment of a survey of newspaper comment which had, he concluded, 'produced strangely little comment'.[3]

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[1] 'Mr. Hughes's Mission', and 'The Imperial Conference'; Round Table, no.11, 1920-21.

[2] 'The Anglo-Japanese Alliance', Ibid.

[3] 'Mr. Massey's and Mr. Hughes's Speeches of March and April 1921 on the Anglo-Japanese Alliance - Japanese Comments' 7 July, 1921; C.A.O., CRS A2219, vol.XVII.

As Piesse admitted some years later, 'during 1921 Mr. Hughes made speeches which atoned for what he had said in previous years'.[1]

The final British preparations for discussion of the Japanese Alliance at the conference took place at the Cabinet meeting of 30 May.[2] Curzon who opened the discussion admitted after his review of the pros and the cons of the case for renewal of the Alliance that the 'natural inclination was to ask "Why should there not be a tripartite Agreement between Great Britain, America, and Japan?"' Answering his own question, he stated that the American Senate would never ratify such an agreement. Curzon was surprised that Massey and Hughes had come out so strongly in favour of the Alliance. He concluded that the best alternative was renewal in a modified form after consultation with other interested parties. Meanwhile the Alliance should be renewed for some months.[3] Churchill who followed, pointed out that it was not 'inclination' which prompted Hughes and Massey in their espousal of the Alliance but 'fear of Japan and alarm at the rapid growth of the Japanese Navy'. However their support eased matters considerably. On balance, he supported renewal and the Canadian proposal for a Pacific conference. Failing the above, modifications and negotiations with the United States were the only alternatives. Austen Chamberlain chipped in that such a conference could even be convened by the Americans.[4] Lloyd George who left his remarks till last believed that non-renewal would leave a bitter Japan, and they would see it as Britain kow towing to the Americans. This would have a most unfavourable effect on British prestige in the East. He preferred Curzon's programme. Thus the Cabinet agreed that at the forthcoming Imperial Conference they would support the proposal that the President of the United States should be asked to summon a conference of the Pacific powers but only after it had been made quite clear to Japan and the other powers concerned that there was no intention of dropping the Alliance. Further, any renewed Alliance would be of much shorter duration than the last one which was for ten years. It would have to be compatible with the Covenant and it would be framed so as 'not to offend American susceptibilities'. Thus there would have to be private conversations with the Chinese and the United States.

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[1] Piesse 'Japan and Australia', p.486.

[2] The following is based on the discussion at the Cabinet Meeting on 30 May, 1921; CAB 23/25/43.

[3] Already the Dominions had been informed that the Alliance had been prolonged for three months as the Alliance was due to expire in July, hardly allowing time for serious discussion; Colonial Secretary to Governor-General, 29 April, 1-20, C.A.O., CP 290/15/3.

[4] The Americans in July informally enquired whether the British would be agreeable to participation in a conference on limitation of armaments at Washington. The other great Powers were to be invited too. See Hughes, Secretary of State to Ambassador in Great Britain, 8 July, 1921, U.S. Foreign Relations, 1921, vol.I, p.18.

Some days after this Cabinet meeting it seemed that even the decision about a new agreement was not without its complications. The Japanese who had been asked to sanction a three month's extension of the Alliance, informed Curzon that extension was unnecessary. The Alliance had yet to be denounced. The result was great consternation at the Foreign Office which re-examined the situation and still came up with the conviction that notice had been given. In mid-June Curzon commented:

> I am not a lawyer but I am greatly astonished to learn that the Joint Communication to the L of N constituted a denunciation....In other words I agreed with the Japs.[1]

The solution to this incredible misunderstanding on so vital an issue was provided by the conference itself, to which we will turn in a moment.

Some days before the conference Hughes renewed acquaintances with Munro Ferguson, now Viscount Novar.[1] The former Governor-General presided at a luncheon at which Hughes was guest speaker. The Dominions had been summoned to consider the foreign policy of the Empire, and 'out of the womb of foreign policy wars were born'. Despite the 'much-boomed edifice at Geneva' the nations were engaged in building up navies and still bigger navies'. Great Britain had declared, he pointed out, that she could not bear the expense of maintaining a great Imperial Navy. He believed the Dominions would have to share this burden.[2]

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[1] Curzon, minute, 14 June, 1921; F.O. 371/6673/2034.

Thus the Anglo-Japanese Alliance and Imperial defence had been major themes in Hughes's speeches in Britain prior to the conference. Indeed from the moment he had landed at Toulon, late in May[3] he had begun to emphasise Australia's views on these basic subjects. They were not the only topics which he spoke about in public. One of the solutions to the problem of consultation between the Dominions and Great Britain he believed, was 'an unbroken chain from one end of the Empire to the other' of 'wireless telegraphs and telephones'. If 'the voice of the Dominions was to be effective in deciding foreign policy', he expanded, it was essential to implement the latest means of communications.[4]

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[1] It is appropriate at this point, I believe, to refer to the exit of so splendid an imperialist as was Munro Ferguson. I have already referred to the tributes and estimates of his term of office above; see Chapter One, I (a). His term actually ended on 2 October, 1920. One of the reasons for staying on in office during 1920 was the forthcoming visit of the Prince of Wales to Australia, New Zealand, and the Islands. He was raised to the peerage on 6 December 1920, becoming Viscount Novar of Raith. Professor Poynter's edition of the Novar Papers is to be published shortly.

[2] Daily Telegraph (Sydney), the Melbourne Herald, 15 June, 1921.

[3] Daily Telegraph, (Sydney), and Morning Post, 30 May, 1921.

[4] Sydney Morning Herald, 6 June, and the Sun, 7 June, 1921.

The day before the Conference opened Hughes was interviewed by the Sydney Daily Telegraph. He stated that he was 'radically opposed' to any sort of Imperial council or Imperial federation. Why even as things were at present, Hughes explained, there were those who were 'alarmed lest their rights should be impaired', but at the same time were the first to expatiate on the necessity for unity on matters affecting the Empire. There was, he confessed the problem of reconciling 'two apparently conflicting attitudes'. He did not believe that 'being represented in London continuously by representatives of the respective Governments' was the solution. He considered that 'daily contact' was the ultimate answer to the problem:

> When Downing street can speak to Melbourne, Ottawa, and Wellington by telephone, we shall have done something to give every part of the Empire an equal opportunity of expressing its opinions,which should be authoritative opinions, not merely those of the Governments, but those of the Parliaments. I feel certain that a short time after the election of a wireless chain throughout the Empire, the wireless telephone will permit such discussions.[1]

It would seem that at this point Hughes would not favour Amery's suggestion of a 'Resident Minister' of at least Cabinet rank at the Foreign Office. On matters of the highest importance Hughes was loathe to delegate responsibilities unless he was absolutely convinced of the soundness of his representative. As the Colonial Office itself minuted, this was the great flaw in such a scheme.[2] History surely corroborates the view of Hughes.

(b) The Conference Convenes: The Pinnacle of Hughes's Statesmanship.

(i) The Anglo-Japanese Alliance and Imperial Foreign Policy.

Hughes took an extremely active interest in all aspects of this conference. Yet the conference lasted from 20 June to 5

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[1] The Argus, 20 June, 1921.

[2] Lambert, Minute, 21 February on Amery's Memorandum 'A Common Foreign Policy'; for Hughes's reservations on the principle of a 'Resident Minister', see his Splendid Adventure, pp.258-61.

August. It must have been a considerable strain on him, being Australia's sole representative.[1] There were thirty-nine plenary sessions attended by the full conference of fifteen members and eleven informal meetings of the Prime Ministers alone, with Hankey present. There were also a number of sessions dealing with Imperial and foreign relations in which members of the British Cabinet participated following the precedent of the Imperial War Cabinet and its alter ego at Paris the British Empire Delegation.[2] Despite the great load, as we shall see, Hughes more than coped with the volume of the work. His contribution was a fitting finale to years of service on the Councils of the Empire.

After Lloyd George's speech of welcome, Hughes in his reply, remarked that the representatives were 'nearly all of one race'. This humorous remark of course was quite correct[3] and does demonstrate that Hughes retained his old chirpiness for which he was both famous and notorious at Paris in 1919. Indeed Lord Riddell had remarked after he had renewed acquaintance with Hughes at a luncheon in May that the Prime Minister was 'just the same as ever - attractive, witty and amusing. Full of spirits'.[4] For some reason or other just before the conference, Hankey observed (or hoped), that Hughes was 'altogether quietened and more chastened. He looked like a man who had had a pretty hard time with his face more furrowed than ever'. However he hastened to reassure Lloyd George that 'his attitude was wholly genial and friendly to you especially'.[1]

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[1] Percy Deane was his secretary and Rear-Admiral Grant participated on naval questions.

[2] Stenographic Notes of a Meeting of Representatives of the United Kingdom, the Dominions and India, held at 10 Downing Street, June, July and August, 1921; E 1st to 34th meeting, 20 June, 1921-5 August, 1921, (E34 includes the published summary of the Conference); E. (R) 1st and 2nd meetings 6-13 July, 1921; E. (D) 1st and 2nd meetings 3 August, 1921; E. (S.C.) 1-7, 8 July - 29 July; E "A" Minutes, Notes of very secret meetings, circulated to Prime Ministers only; Hughes Papers, N.L.A., MS 1538. CAB 32/2/1 and 1(A) contain the above Notes. See Duncan Hall, Commonwealth 'The Imperial Conference of 1921: Its Character and Decisions', pp.355-9. Fitzhardinge's forthcoming Little Digger contains the fullest account of Hughes at this Conference. I am deeply indebted to the author for the use of his draft manuscript on this chapter especially.

[3] Cited by Hankey in Roskill, Man of Secrets, p.233. Walter Long at Paris in 1919 complained that Britain was represented at the Peace Conference by 'one Welshman and three Scotsmen, no Englishmen'; Colonial Secretary to Prime Minister, 13 December, 1918, Lloyd George Papers, House of Lords Record Office, MS F/33/14/45.

[4] Riddell, Diary, 16 May, 1921, Lord Riddell's Diary of the Peace Conference and After, p.301.

Lloyd George as chairman opened the proceedings with a comprehensive review of the current situation. In the course of his remarks, as he introduced Curzon's speech on foreign affairs, Lloyd George drew attention to the relations of the Empire with the United States and Japan. It was absolutely crucial, he observed,to avoid competition of armaments in the Pacific and the Far East. The Alliance with Japan in the past had served well in this respect. For the present he regarded Japan a 'faithfuly Ally' who had rendered useful service in the War escorting troop-ships carrying Dominion Forces to Europe at a time when German 'Raiders' were still at large in the Indian and Pacific oceans. Consequently he desired to preserve a 'well-tried friendship' and to apply it to the Far East where Japan, the United States, and Britain, had special interests. Britain and the United States wanted 'equal opportunities and the Open Door', and there was no doubt China looked to the Anglo-Saxon powers to secure fair play. Indeed to accentuate any further the 'world's divisions upon lines of race would be an unparalleled calamity'. The Empire itself had performed 'signal service to humanity in bridging' race divisions and intended to maintain this policy. Moreover, he confessed, racial strife would 'divide the British Empire against itself'. On the Empire, his epigram has long been remembered: 'There was a time when Downing

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[1] Hankey to Lloyd George, 15 June, 1921; Lloyd George Papers, House of Lords Record Office, MS F/25/1/41.

Street controlled the Empire; today the Empire controls Downing Street'.[1]

Lloyd George was followed in turn by all the Prime Ministers of the Dominions and by Mr. S. Sastri of India and then by Churchill who surveyed the situation in the Colonies and other dependencies. Meighen as the representative of the senior Dominion spoke first, briefly, avoiding the controversial ground of the Alliance. Hughes's speech, it was reported, lasted one hour and he was prepared to assert his faith in the renewal of the Alliance right at the outset. Thus he boldly seized the initiative on the issue. In supporting renewal of the Alliance he emphasised that it should be modified to accommodate the League of Nations and most certainly should exclude the possibility of a war with the United States. He firmly proposed a conference with Japan and the United States to ascertain what was mutually acceptable and to discuss disarmament problems. While he acknowledged the fundamental need for co-operation between the British Empire and the United States he made it clear that Imperial policy should not be dictated by the demands of American policy.[2]

Curzon, who had been absent for the first few days, delivered his major address on foreign policy on the Friday. As Hughes as noted, he left a 'profound impression of the vastness and splendour of the pagaentry of the Empire'.[3] In Curzon's review of British foreign policy he referred to the strange paradoxes apparent in the policies of the United States which were surprising and perplexing, but there was, Curzon believed, every indication that at last the United States was prepared to participate in the reconstruction of the post-War world. On the

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1. Lloyd George, Imperial Conference, 20 June, 1921. The full text of this speech was published in the Argus, 22 June, 1922 and The Times, (London), 21 June, 1921.

2. Hughes's speech and references to it may be found in a number of places: Imperial Conference, 21 June, 1921, CAB 32/2; Nish, Alliance in Decline, p.333; Fry, 'North American Triangle', p.58, Farmer Whyte, William Morris Hughes, pp. 425-7, and the Argus, 23 June, 1921.

3. Hughes, Imperial Conference, Stenographic Notes, E6, 24 June, 1921; Hughes Papers, N.L.A., MS 1538.

one hand the Americans had rejected the League, had withdrawn into a shell of isolationism and stepped up her naval construction programme. However, on the other hand, since President Harding's election in March there appeared to be a desire for renewed contacts and for disarmament arrangements. While Britain welcomed American participation, she was resolved to retain the Japanese Alliance. Curzon indicated that to date Britain had not received any official proposals on the disarmament question but he was awaiting additional information from Washington. Such information however, would not shake Britain's resolve with respect to the Alliance.[1]

In Meighen's remarks the same day, on the general question of the conduct of Imperial foreign policy he gave the first indication of a determination by Canada to insist on its right to an independent policy on matters deemed vital to its interests. The assumption to date of a common policy had been axiomatic. Here was the difficulty which Hughes described as the 'apparently impossible chasm' dividing autonomy and the unity of policy. It was clear that the Dominion Prime Ministers accepted the diversity and the unity of Empire as being of equal importance and that an accommodation was possible, indeed necessary. Returning to Meighen's speech, he pointed out that there was 'no body authorised to advise His Majesty in relation to foreign affairs except the United Kingdom Government'. However, the acceptance of a Dominion viewpoint had 'indefeasible constitutional recognition'. He had no doubt that in time the evolving relations within the Empire would 'establish an effective working partnership'. Meanwhile there could be no doubting the loyalty and 'unity of our people'. He was particularly pleased that Curzon had referred to the Empire's relations with the United States. As far as Canada was concerned, sharing a common boundary with this emerging giant, posed special problems. Now Curzon had stated that the 'betterment of relations' with the United States was the 'pivot of Britain's world policy'. Canada, Meighen observed, more than any of the Dominions was acutely aware of the significance of this problem. Although Meighen disclaimed any connection between these remarks and the Anglo-Japanese Alliance, it is difficult to accept that Meighen was not laying the groundwork for his subsequent remarks on the Alliance.[1] There was also in his remarks, Duncan Hall has noted, an implication that Canada because of her special relation to the United States must have the decisive voice on all Empire policy regarding that country.[2]

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[1] Curzon, Imperial Conference, Stenographic Notes, 24 June, 1921. The other opening speeches were published. It was decided that Curzon's speech should be kept secret owing to the nature of the material; see the Argus, 27 June, 1921.

Hughes who followed Meighen took the opportunity to refute the assertion by Smuts that the Empire might well have been better off by emulating the United States and staying out of European politics. Such a policy was anathema to Hughes who argued at some length that the Empire which had acted as 'the world's policeman' had performed unsurpassed services in the cause of peace and the progress of civilization. To opt out of international affairs at this time would be inexcusable for the Empire was responsible for the post-War order of the nations by virtue of its signature of the Treaty of Versailles. This led Hughes directly to comment on the current war between Greece and Turkey, a situation that had arisen 'indirectly out of the Treaty'. He railed against the policy of King Constantine and called on the Empire 'not to spend one shilling

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1, Meighen's speech, Imperial Conference, Stenographic Notes, 1921; Hughes Papers, N.L.A., MS 1538.

2. Duncan Hall, Commonwealth, p.401.

or to risk one life to further the ambitious projects of King Constantine'.[1] Hughes remarked on the irony of fate which resulted in the death of King Alexander from a monkey bite and thus brought back King Constantine to the throne. As Imperial interests favoured 'conciliating the Moslem world' Hughes advocated a pro-Turk policy. He backed up this view with the surprising assertion that the Australian soldier emerged from the War with a 'supreme contempt for the Greek who was supposed to be his ally, and a hearty admiration for the Turk against whom he fought'. This personal assessment is typical of Hughes who had viewed with contempt the pro-German course of King Constantine who reigned during the greater part of the War.[2]

On 28 June Curzon reviewed the history of the Anglo-Japanese Alliance. During the previous week he had received the information he had been waiting for, with respect to the American view. Sir Auckland Geddes, the British Ambassador at Washington had been authorized by C.E. Hughes, the American Secretary of State, to inform Curzon that the United States was opposed to renewal. They would however be prepared to consider an 'exchange of notes as a triple declaration of policy'. Thus at this stage Hughes had ruled out any sort of binding agreement, let alone alliance, which would involve the United States.[1] With this in mind Curzon more or less re-traced the now familiar arguments for and against renewal of the Alliance. If the Alliance were dropped the British position in China would be undermined even further. Britain also would have lost its influence over Japanese policy which already had been demonstrated as being expansive and even aggressive. The loss of Britain as a partner would surely drive her into the arms of an unfriendly Power. Were this to eventuate 'in another ten or twenty years time, *(it)* might alter the whole face of the Eastern world and constitute a danger to our position'. However to continue an Alliance which had been a stabilizing force in the East and which had served Britain so well, would be 'disastrous' according to the Americans. In these circumstances Curzon submitted the following alternatives for the consideration of the Prime Ministers:

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[1] Constantine's 'projects' eventually led to the utter failure of the Greek crusade for a 'greater Greece' in Anatolia and eventually to Chanak, the subject of Hughes's own last sally in international affairs; see John Mavrogordato, Modern Greece: A chronical and a Survey, (London, 1931), and David Walder, The Chanak Affair (London, 1969).

[2] Hughes facetiously remarked; 'A monkey, we are told, has done this thing. He bit Alexander so sorely that he sickened and died! But why did he stop there? Why did he only bite King Alexander?' Hughes, Imperial Conference, E.6., 24 June, 1921, Hughes Papers, N.L.A., MS 1538.

> The two alternative plans suggested by me this morning were these:
>
> A. Renewal of the Agreement with Japan for a term of 4 or 5 years, after consultation with the United States, China, and the League of Nations, so as to make the new agreement conform to their general views and to remove the doubtful or suspected features from it.
>
> This renewal to be independent of an International Conference on the Pacific Question, though not, of course, inconsistent with it.
>
> B. Temporary renewal of the existing agreement (brought into harmony with the Covenant of the League of Nations, and with mention of India possibly omitted) for a space of say, one year from October, 1921, so as to provide for the holding of an International Pacific Conference in the interval.
>
> Such a Conference would consist of the Governments of Great Britain, America, Japan, the Dominions (Canada, Australia and New Zealand), China, France and Holland.

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[1] Memorandum of a Conversation between the Secretary of State and the British Ambassador, 23 June, 1921; U.S. Foreign Relations, vol.III, pp.314-6. Geddes cabled a summary of this interview immediately which was supplied to the Dominion Representatitves; C.A.O., CP 103/3/1; See also Fry, 'North American Triangle', pp.59-60.

> The inclusion of the Pacific States of Central and Southern America may be a subject for discussion but would probably be found an encumbrance.[1]

Up to this point moderation was in the air. However on the twenty-ninth at the ninth meeting[2] Meighen openly opposed renewal in any form at all. He set about to demolish the arguments that had been employed to support it. No menace existed from either Russia or Germany and to renew on the pure speculation that in the future either might pose a threat appeared to him to be quite out of touch with reality. In any case North Americans were not prepared to return to the 'old diplomacy'.

Next he attacked the record of Japan in the Far East over the last twenty-years which spanned the period of the Alliance. If one of the objects of renewal was to contain Japan, then on Japan's past record it was unlikely that partnership in the future would be more successful than it had been in the past:

> Having made the Treaty for definite objects, Japan has far exceeded her rights, and progressively violated her covenant. It cannot well be imagined how in the short space of less than twenty years she could expect under any conditions to achieve more in the way of aggrandisement, and it is only reasonable to say that if we do enter into another Treaty, we have every ground to expect them, hold the check rein as we will, to succeed in duplicating the performance of the last twenty years in the further invasion of this very independence and integrity of China....
>
> We may restrain, we may do all we can. We say now that we have done so to the best of our ability, but there is Korea, there is Formosa, there is Manchuria, there is Shantung. These are the twenty-one demands. They have done all these things during the twenty years, and strive as we will to have the United States people believe that this is perpetrated with out hand on their collar, we cannot get them so to

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[1] Curzon, Memorandum, 'Anglo-Japanese Alliance', Document no.E21, 28 June, 1921; Imperial Conference, 28 June, 1921; C.A.O., CP 290/15/3.

[2] The following outline of Meighen's address is based on Imperial Conference, E 9, Stenographic Notes, 29 June, 1921. See Fry 'North American Traiangle', pp.60-62 and Roger Louis, 'British Strategy in the Far East, 1919-39', pp.63-66.

> believe. They will believe it has been done with the connivance of Great Britain, in order to subvert the purposes of the United States, and to give us a great hold on and enhancement of our eastern interests.

Therefore to renew would in effect make Britain a partner in Japan's 'crimes' and lead to a complete loss of face in the East.

He turned now to the North American side of the argument. As Anglo-American amity was axiomatic and since renewal was anathema to the United States it followed that renewal was inappropriate. Indeed renewal would bring China and the United States together to oppose Japan. An Anglo-Japanese Alliance must be seen as a menace to American interests in China and even as a threat to her security and in the event of hostilities Canada was likely to suffer in view of her geographical position:

> If from any cause, or from the initiation of any disastrous policy, we should become involved in worse relations that we are not, Canada will suffer most of all. And if, in the last awful event - God forbid it should ever come! - we reach the penalty of war, Canada will be the Belgium.

Canada could not and would not join in the renewal of an Alliance which the United States regarded was inimical to her interests. It was preposterous to argue that renewal would safeguard the Empire against the 'United States menace'. If this view was present in the minds of those who proposed renewal then they must face the situation that Canada could not be a party to such a plan:

> If this renewal is intended to create a combination against an American menace which is to succeed the German menace, which in turn succeeded the Russian menace of 1902, then there can be no hope of ever carrying Canada into the plan. The claim is sometimes made, sometimes left to be implied, that this Alliance with Japan is to be the pivot of a new world alignment. That only needs to be stated to excite despair in the minds of the people of our country. The future is dark if we have to start now on that path. I can only add

> that there is no possibility of convincing Canada or making any appeal at all to her with those words in our mouth - none at all.

On the positive side, because of the above premises Meighen proposed that conversations immediately should take place with the United States and interested powers rather than following the British proposal of renewal followed by conversations. A conference, he believed ought to be convened. Meighen's impressive analysis was an indictment against British policy in the Far East. It was a challenge and an ultimatum to the conference.

The reaction to this massive attack was immediately obvious. The whole basis of Meighen's thesis lay on the assumption that the United States would oppose renewal. Yet there was obvious confusion on this point. Geddes, Curzon, and Harvey, the United States Ambassador at London all complicated matters in that each reported conflicting statements as to the actual attitude of the United States.[1] Balfour, ignoring the infuriating dithering on the subject, came right to the point. Had Meighen any evidence to substantiate his proposal that the United States would be interested in a 'tripartite arrangement'. It was a crucial question and Meighen had to admit that he could not 'bring any argument to bear upon that'. However he personally felt the prospects quite bright for some sort of Agreement rather than a 'rigid Treaty'. But he could not be definite.

Hughes took up the challenge at this point. He initiated a series of exchanges with Meighen on the subject which occupied

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1. Imperial Conference, Stenographic Notes, E9, 29 June, 1921, pp.11-12; Fry, 'North Atlantic Triangle', pp.61-2, details the evident confusion on this vital point.

the attention of the Conference for some days.[1] He also questioned the premises upon which Meighen based his case. With obvious irony Hughes pointed out that Meighen had advised the Conference to pay heed to the'"Voice of America"'. As there had been so many 'voices' of late it was difficult to know which 'voice' was authentic. Further, the Conference would have to decide whether it should 'have a policy dictated by some other Power'. Hughes freely admitted that the question was absolutely vital to Canada but reminded Meighen that it was not any greater than Australia's historic interest in the Anglo-Japanese Alliance. Nor could Hughes comprehend Meighen's case that Canada's security could be jeopardized by renewal of an Alliance which would help to contain the very Power which Canada suspected of ill-intent.

On the other side of the coin, non-renewal would surely increase the naval race which all profoundly wished to abate. It was because Hughes believed that renewal actually would lead to an abatement that he supported that policy:

> Now then let me speak plainly to Mr. Meighen on behalf of Australia. I, for one, will vote against any renewal of the Anglo-Japanese Alliance upon one condition and one only, and that is that America gives us that assurance of safety which our circumstances absolutely demand. Mr. Meighen has that assurance - his geographical and political circumstances are such that he has at his very door a powerful neighbour which for its own sake, if not for his, will defend him. America herself is invulnerable: her coast-line might be attacked, but her hinterland can never be occupied. And it may be said that in this war between Japan and America - this war which some believe must come - neither Power can destroy the other. The geographical position and general circumstances of each are such as to preclude this.

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[1] These exchanges have been set down in Farmer Whyte's old account on William Morris Hughes, pp.439. In recent years, Roger Louis's account in British Strategy in the Far East, 1919-39, pp.64-71, has performed a signal service in publishing a complete account for the purpose of correcting some erroneous impressions; see below. However, Fitzhardinge's The Little Digger, provides the definitive study on Hughes at the Conference.

It is not clear from the stenographic notes of this meeting when Meighen left for a luncheon engagement with the Prince of Wales but somewhere at about this point the Canadian's absence was noted by Lloyd George. He interrupted Hughes suggesting an adjournment and that the Australian should repeat the part of his speech which Meighen had missed.[1]

What Meighen had missed referred to the Australian and New Zealand case for renewal:

> I want the Conference to consider it in its application to Australia. If we do not renew this Treaty with Japan, where will Australia stand? If you will look, Sir, at the map you will see the position that Australia occupies...
> Will anybody who looks at that map say that, living as we do, remote from Europe, from the Western World, occupying a rich and almost empty Continent, dependent absolutely on sea power, not only for our prosperity, which comes from the sale of goods in overseas markets, but dependent for our very existence on sea power, say that it would be wise for us to alienate by a rude and abrupt refusal to renew this Treaty, our nearest neighbour, a great and powerful nation, whose circumstances compel her to seek new territory for her overcrowded population, and who has behind her effective means of making us feel the full force of her resentment.

In the afternoon Hughes not only repeated the above argument but expanded on it and actually paid tribute to the role which Japan played in the eventual triumph of the War. There is no reason to believe that Hughes had his tongue in his cheek as he praised Japan's war winning support. Hughes was very much alive to the crucial role Japan had played: 'Had she elected to fight on the side of Germany, we should almost certainly have been defeated'. Thus it was not so much Japan's positive contribution which impressed Hughes but the sheer fact that she was not in the camp of the Central Powers. This was just the reason for seeking renewal of the Alliance. Australia's geographic situation demanded it:

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[1] Imperial Conference, E9, Stenographic Notes, 29 June, 1921; Hughes Papers, N.L.A., MS 1538.

> Look at the map and ask yourselves what would have happened to that great splash of red right down from India through Australia down to New Zealand, but for the Anglo-Japanese Treaty. How much of these great rich territories and portions of our Empire would have escaped had Japan been neutral? How much if she had been our enemy? It is certain the naval power of the Empire could not have saved India and Australia and still been strong enough to hold Germany bottled up on the narrow seas.

Hughes turned his attention to the League of Nations and the Alliance. The parties to the Alliance were quite happy to comply with the League's provisions:

> The League of Nations stands, if anything does, for all those principles upon which Mr. Meighen has been so insistent this morning. The peace of the world, disarmament, and the end of the suicidal struggle for naval supremacy which preceded the great war and which is now being renewed - a policy which has reduced the world to a state of chaos and which, if persisted in, will destroy civilisation - for all these things the League of Nations stands. We are members of the League. The United States is not. The declared policy of the United States is to build the biggest navy in the world. Surely then we are not to be charged, we who are members of this League, we who propose a Treaty which is compatible with the Covenant and of which the League will approve; we, who urge a limitation of armaments, are not, because we seek to renew a Treaty which has been in existence for twenty years, to be charged with something that will disturb the peace of the world or will delay for one day the happy consummation that the whole world desires!

Meighen, Hughes affirmed, relied on the Americans, but it was a dangerous exercise to rely on a nation whose record had demonstrated that it was difficult to establish just what the Americans were saying:

> We have seen only the other day the clearest possible proof of the fact that America speaks with two voices. One voice assures us - and I reminded Mr. Meighen of this before the adjournment - that the great heart of America

> beats in sympathy with us; the other voice denounces us and all our works. Mr. Meighen would have us believe that if we will but do this thing, if we repulse and brush aside contemptuously an Ally of Twenty years standing who is at this moment the second naval power in the world - I speak, of course, of a fleet in being - if we brush aside this Ally whose stronghold occupies strategic positions as regards our Empire, which we cannot and dare not ignore, we shall turn the hymn of hate which this other voice now chants into loud shouts of eternal friendship.

Hughes continued to demolish Meighen's case point by point. Whether it was the 'anti-British faction' in the United States, the Irish lobby, or the interests of China, Hughes presented the other side of the coin. Hughes concluded by stating his case in an unequivocal manner:

> I am for an immediate declaration of our intentions to renew upon terms that will be at once compatible with the League of Nations Covenant, which will give America ample opportunity to be officially consulted and which will exclude specifically and in set terms, the possibilities of our being ranged in hostile array against America in the terms of that Treaty. That is my position, and I venture to say that a further postponement will and can place us in no better position that we are today. We have to face the facts as they are. We have to choose between the Ally with whom we have been in close terms for twenty years, who served us well during the war, without whose aid we could not have obtained victory, together with the maintenance of the *status quo* modified to meet the requirements and the proper representations of the Covenant, as against regard for American interests.

Smuts probably reflected the feelings of the Conference when he referred to the 'language' used by the two Dominion Prime Ministers as 'such as to frighten' observers uninvolved in these issues. It was obvious, he concluded, that renewal would not only split the Empire but the English-speaking world. In these circumstances he proposed a series of conferences held under the auspices of the League. It was vital that Japan 'should not be affronted' but it was just as vital that she should be controlled. Smuts saw Japan as the enemy of the future and the United States as the British Empire's 'real friend'.[1]

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[1] Imperial Conference, Stenographic Notes, E10, 29 June, 1921; Hughes Papers, N.L.A., MS 1538.

The following day the British Cabinet met to discuss the electric situation.[1] Curzon summed up for the Cabinet. All were surprised at the force of Meighen's opposition which was 'even more' vehement than had been anticipated. Therefore he wanted to suspend discussion for a short time in order to pursue the subject with the Americans and Japanese.

The British Prime Minister pointed out that renewal could alienate the American Government whose relations with Japan were exacerbated by the dispute over Yap. On the other hand it remained 'essential not to insult Japan by doing anything which would be tantamountto casting her aside'. Lloyd George, ever the pragmatist, offered a devious but ingenious solution which would not only overcome the diplomatic dilemma but also suitably handicap the intransigent approach of the Canadian Prime Minister:

> ...although it had been assumed that the communication which had been sent to the League of Nations was tantamount to denouncing that Alliance, he wondered whether it would not be possible now to get out of the difficulty by saying to Japan either that we would withdraw that notification or treat it as not being a denunciation of the Alliance. If this were done it would modify the situation considerably, and Mr. Meighen, instead of pleading for the non-renewal of the Alliance, would have to plead for the Issue of a notice denouncing it. His point was that if the British Government and Japan agreed that the Treaty still held good, it would then be a question as to whether we should give notice of its determination or not, and this would depend on the result of the Conference which it was suggested should be held between the Powers concerned.

Lord Birkenhead,[2] the Lord Chancellor, outlined the legal position which he considered supported the Prime Minister's proposal. He was prepared to give an opinion to the Conference that afternoon to the effect that the so-called 1920 notice to the League did not constitute a formal notice of an impending termination of the Alliance. It was in effect a way out of an embarrassing legal dilemma and the deadlock in negotiations over the future of the Anglo-Japanese Alliance. As Nish remarked it was a 'touch of "Welsh wizardry"'.[1]

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[1] The following is based on the Cabinet discussions at 10.30am, Cab 56 and 12 noon, Cab. 43, 30 June, 1921; Cab 23/25-6. Nish, Alliance in Decline, pp.333-7, summarises the Cabinet's discussion.

[2] F.E. Smith, first Earl of Birkenhead, (1872-1930); Conservative M.P., 1906-18; Lord Chancellor, 1919-22; India Secretary, 1924-8; created an earl, 1922.

That afternoon Lloyd George informed the Conference that the Alliance might not have to be renewed. Birkenhead delivered his legal opinion and concluded with suitable emphasis that he had 'no hesitation whatsoever in saying that we should adhere to the view that no denunciation has taken place'. No doubt there was a mixed reception of surprise, joy,and chagrin. Meighen remarked that if he had known that this was the case he would 'certainly have reconsidered his remarks'. Lloyd George, agreeably solicitous towards the Canadian Prime Minister suggested that it would be only fair to give him time to consider how this affected his attitude. It was agreed to resume the discussion in a few days time.[2]

Lloyd George's solicitude turned out to be unnecessary. Despite the British Prime Minister's 'legerdemain' as one writer has labelled this volte face in the situation,[3] Meighen returned to the attack on schedule the next day. He dismissed Hughes's attack as a 'caricature' of Canada's position. He deplored Hughes's assault and Lloyd George's support of such a case. He deeply resented the accusation that Canada had urged an 'ungentlemanly' policy of deserting a loyal ally. Nor would he accept the charge that he had simply presented a North American view without due regard to the 'standpoint of the

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1. See Nish, Alliance in Decline, p.336-8; Roger Louis, British Strategy in the Far East, 1919-39, pp.73-5.

2. Imperial Conference, Stenographic Notes, 30 June, 1921; Hughes Papers, N.L.A., MS 1538.

3. See R. Graham, Arthur Meighen: A Biography, vol.II, And Fortune Fled, (Toronto, 1963), p.94.

British Empire'.

As for the legal position Meighen accepted that the Alliance remained in force and that the Empire would 'come to the Conference as an ally of Japan'. He urged Curzon to press ahead with the plan for the Pacific conference so that 'an understanding among these four Powers *(Great Britain, United States, China, Japan)*, would be arrived at' and substituted for the 'exclusive confidential relations with Japan'.

Hughes took the opportunity to rebut Meighen's remarks and resolutely re-affirmed his position. However, he believed that Meighen's amended position was a great advance on his original stance and he 'could take no exception to it'. Hughes however urged the conference to openly declare that it was in favour of renewal and that it intended to pursue this course. The Pacific conference should be quite secondary to this, he insisted'.[1] Lloyd George jumped in with the remark that it was possible to reconcile the two views.

However at the afternoon meeting Meighen himself pointed out that 'as for Mr. Hughes and myself, we are worlds apart, and I cannot conceive how the Foreign Secretary can possibly reflect both of our views' to the other Powers. As Roger Louis has pointed out, Hughes's 'solution to the problem of the Alliance amounted to making the best of a bad situation'.[2] Hughes really preferred the Americans but the record of the United States in recent years drove him to despair of her ever being the bulwark in the Pacific which Australian security demanded. Failing American support he chose to uphold the Alliance for the simplest of reasons that it was far better to have Japan as a partner of the Empire than to allow her to float freely with the distinct possibility of her ending up in an unfriendly Alliance of powers.

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[1] Imperial Conference, Stenographic Notes, E12, 1 July, 1921; Hughes Papers, N.L.A., MS 1538.

[2] Roger Louis, British Strategy in the Far East, 1919-1939, p.76.

The Conference resolved that Curzon should notify the Japanese that the Alliance remained in operation. The League was to be informed that where the Covenant was in conflict with the Treaty the Covenant would prevail and that any new arrangement would be in harmony with the Covenant. The Pacific powers were to be approached with a view to convening a conference on the future of the Alliance. Moreover there would be no denunciation until a new agreement had been settled by the Conference or a new treaty had been 'drawn up by common agreement to replace the existing Alliance'. Should the conference fail, the existing Alliance, adapted to suit the requirements of the Covenant would remain in existence.[1]

Hughes believed that a further step should be taken by Lloyd George. He wrote to him some time after the above decision:

> I do most earnestly hope that you will not agree to any course involving a postponement of a public announcement of our intention to renew the Treaty - in the form compatible with the Covenant: and excluding America from its operations - until after this Pacific Power Conference is held.
> The Treaty might be extended for another year to give those Pacific Powers an opportunity to confer, with the Empire. But the fact ought to be made clear that we propose to renew the Treaty.[2]

This private and quiet effort brought him no success. He reported the substance of the debates and exchanges with Meighen of Canada to his Government, pointing out that Curzon was in the midst of approaching the other interested Parties on the matter.[1] At the meeting on 8 July Curzon reported back that arrangements were still progressing. In the course of the discussion Hughes made it clear that he had no objection to a conference so long as the meeting agreed that should the Pacific conference fail to reach an agreement, then the Alliance would be retained. Nor was it possible for him to attend a conference later that year.[2] The Anglo-Japanese note to the League on 7 July signed by Curzon and Hayashi confirmed the conference's wishes on all points. A few days later, in the Commons, in answer to Asquith's request, the Prime Minister informed the Commons of the 'Joint Notification' to the League and expressed approval at President Harding's invitation to hold a conference on the limitation of armaments at Washington preceded by a Pacific conference.[3]

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[1] Imperial Conference, Stenographic Notes, E13, 1 July, 1921; Hughes Papers, N.L.A., MS 1538. There was an acrimonious debate on this latter point, Smuts and Meighen vehemently objecting to it, in vain.

[2] Hughes to Lloyd George, n.d., *(June-July, 1921)*; Lloyd George Papers, House of Lords Record Office.

In retrospect, as one views the exchanges between Hughes and Meighen, the record demonstrates partial victories and consequently partial defeats. Neither gained their original objective at this point. It was a compromise. There is no doubt that the old view of an undiluted victory by Meighen, in that a Washington conference was convened, overstates the case.[4] As Fry points out, he had not 'secured non-renewal because of Birkenhead's ruling and the Alliance lived on'. But the calling of a Washington conference was in itself a victory for his point of view and the work of the conference, as we shall see, completed his initiatives. On the other hand, at this conference Hughes could claim a success in that the Alliance remained in force. That the United States would be involved in a conference on the Pacific was surely consonant with Hughes's long standing hope of involving the United States in the security of Australia in the Pacific. But it was a poor consolation in comparison with what he had really wanted given his reservations about American dependability in these years. Nor had the British gained what they wanted. Originally the conference was to be a minor affair. Now, Curzon and Hughes lived in hopes that the conference would continue the Alliance in some form.[1]

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[1] Hughes to Acting Prime Minister, 3, 8 July 1921; C.A.O., CP 103/3/1.

[2] Imperial Conference, Stenographic Notes, E20, 8 July, 1921; Hughes Papers, N.L.A., MS 1538.

[3] The Times, (London), 12 July, 1921, citing Lloyd George's statement to the Commons the day before.

[4] The classical view is to be found in J.B. Brebner, 'Canada, the Anglo-Japanese Alliance and the Washington Conference', Political Science Quarterly, vol.L, 1935, pp.45-57.

(ii) The Invitation to the Washington Conference.

At the Imperial Conference session on the eleventh, the day President Harding issued the invitations for a conference, Lloyd George asserted that it was a British victory. After all, he claimed, it was a British stimulus that had led to the invitation.[2] Lloyd George in his announcement to the Commons the same day informed the House that there would be two conferences. Even Curzon, who was responsible for the negotiations, was under the impression that there would be two. However, when Colonel Harvey, the American Ambassador at London, informed his Secretary of State, Hughes, that the British expected that the preliminary conference on Pacific subjects should be held as soon as possible, Hughes opposed such a plan. Harvey had pointed out that Massey and Hughes hoped that the conference would be held before mid-August and at London so that they could stay on. The American Secretary of State opposed the venue and the timing of such a conference, on two grounds: the Japanese and Chinese could hardly be ready in a month and to hold it at London would give the impression that the United States had given tacit permission for such a plan. A London conference would be considered inimical to American interests.[1]

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[1] See Fry, 'North American Triangle', pp.63-4; Roger Louis, British Strategy in the Far East, 1919-1939, pp.76-78, and Nish, 'Alliance in Decline', p.339.

[2] Imperial Conference, E21, 21 July, 1921; Hughes Papers, N.L.A., MS1538. See U.S. Foreign Relations 1921, vol.I pp.18-51 for the correspondence in July in relation to the Washington Conference. See J.S. Galbraith, 'The Imperial Conference of 1921 and the Washington Conference', Canadian Historial Review, vol.XXXIX, no.2, June, 1948. Galbraith, believes the Conference was an American initiative. Roskill agrees with Galbraith: Naval Policy Between the Wars, pp.300-01.

The Australian, Hughes, opposed the American plan. He urged Lloyd George to call an emergency meeting of the Prime Ministers in view of Meighen's impending departure. Lloyd George himself considered the American project unacceptable. As he explained to Churchill, the Colonial Secretary, an intimate conference at London or anywhere, as soon as possible would achieve much more than a larger gathering later in the year at Washington: 'I think it vital that the Conference about the Pacific should be immediate and should be 'à "trois" or "à quatre" (China).'[2]

In the American Ambassador's almost daily correspondence with the Secretary of State over the last week, he had emphasised that the Dominions were specially concerned. Indeed, he had reported that Massey and Hughes had seen him personally and 'implored me to ask my Government to so arrange the program that they would not be prevented from attending especially as their interests were in all essentials identical with ours'.[3] It would be no surprise therefore, when Curzon's prime objective had been rebuffed, to find him urging Harvey to consider a London conference to be held almost immediately and lasting only a few days: 'A plan of quiet consultation during the next few weeks would appease the Dominion Prime Ministers'.[4]

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[1] Ambassador in Great Britain to Secretary of State, 11 July, 1921 and Hughes to Harvey, 13 July, 1921; U.S. Foreign Relations, 1921, vol.I, p.18, ff.

[2] Hughes to Prime Minister, 18 July, 1921, and Lloyd George to Churchill, s.d; Lloyd George Papers, House of Lords Record Office, MS F/28/3/50 and F/9/3/69.

[3] Harvey to Hughes, 11 July, 1921, U.S. Foreign Relations, 1921, vol.I, pp.25-7.

[4] *Ibid.*, 19 July, 1921, pp.36-7.

At this, Secretary of State Hughes notified Harvey that the United States was not interested in any formal preliminary conference and this should be regarded as the Government's final attitude. He had no objection to consultations to facilitate the preparation of the conference; but the conclusions of such consultations would be subject to the approval of the President 'so far as our action is concerned'. Secretary Hughes assented to Curzon's draft of an agenda. It is of interest to us to note that the American also sanctioned the exclusion of immigration as a subject. That China was a prime matter of concern was clear as the 'Open Door' in China and 'Shantung and questions pertaining to it' headed the list. German possessions in the Pacific with respect to 'Yap and Mandates and cable communications' were also included. To overcome the problem of Dominion representation at the conference, the American suggested they return 'by way of America'. The earliest date that he could recommend again in order to meet their convenience, was late September.[1]

At the Imperial Conference some days later Curzon's memorandum on the Washington Conference was tabled. He noted that the British from the outset had always believed there would be two conferences by virtue of the nature of the two principal subjects: the Pacific and the Far East, and disarmament. He continued to maintain that this had been the basis of his discussions with the Americans and the validity of the proposal still held.[2] The following day the Prime Ministers also had before them a lengthy memorandum on the issue addressed to the Government of the United States. The Japanese also preferred preliminary consultations in London on the Pacific and Far East but had accepted the principle of a conference at

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[1] Secretary to State Hughes to Ambassador Harvey, 20 July, 1921; U.S. Foreign Relations, 1921, vol.pp.37-9.

[2] Memorandum by Curzon, 24 July, 1921, prepared for Imperial Conference, Stenographic Notes, E28, 25 July, 1921; Hughes Papers, N.L.A., MS 1538.

Washington on specific issues.[1] Once this was clear to Lloyd George he pointed out to the Prime Ministers that as much as he disliked having the conference in Washington he had to admit that it must be accepted. As both Japan and the United States had accepted it Britain could not be the odd man out: 'The Americans have manoeuvered us into a very bad position tactically', he confessed. That afternoon he was even more explicit:

> Personally, I have come round against the London Conference, because I think you are more likely to succeed if you have it on American soil than if you have it here....That is my opinion. You cannot tear this thing away from the conflict which has been raging in the United States for the last year or two, the whole thing turning on President Wilson being bamboozled, having walked into a trap in Europe. It is the bugbear of the Senate. American statesmen coming to Paris and London, and being lured into all sorts of things on European soil without consulting the Senate. I think if you have a Conference in America your chances of success - I do not know America, but I watch American politics, and I am looking at the 'atmosphere' - will be fivefold more than if you have it here.[2]

Because of the confusion and because it was considered possible to interpret some of the Secretary of State's remarks, and especially Ambassador Harvey's correspondence, as being sympathetic to preliminary consultations the British put forward yet another proposal. Delegates from Britain and the Dominions were prepared to leave Britain for Bar Harbour on a fast warship on 12 August, arriving in the United States three days later. The delegation would include Lloyd George, Curzon, Meighen, Hughes and Massey. They could remain for one week. There is no doubt Secretary of State Hughes was non-plussed. He immediately rejected the proposal in a very detailed reply.[3]

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[1] 'Proposed Pacific Conversation: Record of Interview between Sir E. Crowe and the Japanese Ambassador', 25 July 1921, Document E47; Ibid., E29, 26 July, 1921.

[2] Ibid., E29-30, 26 July, 1921; Hughes Papers, N.L.A., MS 1538. See Roger Louis, British Strategy in the Far East, 1919-39, pp.89-91, for an account of the confusion.

[3] Harvey, Ambassador in Great Britain, to Secretary of State, 27 July, and Hughes to Harvey, 28 July, 1921; U.S. Foreign Relations, 1921, vol.I, pp.46-50.

At the Imperial Conference on the twenty-seventh, in view of the indecisive state of affairs, Hughes vented his dissatisfaction and alarm. If he had had to return to Australia that day he would be forced to admit that 'we have done nothing'. It appeared now, he explained, that the conference at Washington would settle the fate of the Alliance after all. As matters now stood he favoured an expanded arrangement:

> *Mr. Hughes:* At any rate, I am in favour of substituting for the present Treaty a tripartite arrangement.

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> *Mr. Lloyd George:* If you get a tripartite arrangement, that is best of all. You are putting the other point. Supposing we fail in Washington. If we fail in Washington, we have not decided here to give twelve months' notice.

> *Mr. Massey:* As I understand it, the position is that the Treaty stands until we have something better. As soon as we are satisfied we have something better we can denounce the Treaty.

> *Lord Curzon:* Even then it remains in operation for a year.

Hughes however, reminded the conference that Smuts had stated that if the Washington Conference failed he would not accept that 'ipso facto the Treaty continued'. There was then, a very good reason for a categoric assurance and statement by the British Prime Minister that if the Conference failed the Treaty would remain until another Imperial Conference decided otherwise.[1]

By the end of the month it was clear that all hope of any sort of preliminary conference had been ruled out by the Americans. Curzon at the Meeting on the first day of August informed the conference of this position. Naturally enough, he was greatly upset and most annoyed believing that the American Ambassador Harvey, employing a 'forensic tone' and language, had misled him. The Prime Ministers resolved to give up pressing for a preliminary conference.[1] In the words of the 'Summary of the Transactions', which were published, the failure to reach a satisfactory solution to the 'misunderstanding' was 'viewed with the utmost regret'.[2] The Americans were informed of the decision of the conference and requested to take full responsibility for arrangements so as to 'avoid the possibility of future misunderstanding'.[3]

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[1] Imperial Conference, Stenographic Notes, E31, 27 July, 1921; Hughes Papers, N.L.A., MS 1538.

The final decisions on Dominion representation were taken after the Imperial Conference had concluded. A discussion of those negotiations forms the introduction to the Washington Conference which will be dealt with below. We should now turn to the other matters which concerned Hughes at the Imperial Conference. Hughes was deeply involved in most issues at the conference but particularly in the question of a so-called constitutional conference, defence, imperial communications, reparations, and 'settlement' schemes.

(iii) CONSTITUTIONAL RELATIONS.

On the question of the proposed conference on constitutional relations which had been mooted way back in 1917 the 'Summary of the Trasnactions' of the Conference recorded Hughes's success in opposing such a Conference:

> (a) Continuous consultation, to which the Prime Ministers attach no less importance than the Imperial War Conference of 1917, can only be secured by a substantial improvement in the communication between the component parts of the Empire. Having regard to the constitutional developments since 1917, no advantage is to be gained by holding a Constitutional Conference.
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> (b) The Prime Ministers of the United Kingdom and the Dominions and the Representatitves of India should aim at meeting annually, or at such longer intervals as may prove feasible.

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[1] Imperial Conference, E32-A, 29 July, and E32-B, 1 August, 1921; Hughes Papers, N.L.A., MS 1538. See Curzon to Geddes, 30 July, 1921, C.A.O., CP 290/15/3.

[2] 'Summary of Transactions...', 6 August, 1921, Hughes Papers, N.L.A., MS 1538. See also Secretary of State to Harvey, 2 August, 1921, U.S. Foreign Relations, 1921, vol.I, pp.50-61.

[3] Secretary of State to Geddes, 2 August, 1921, cited in Galbraith, 'The Imperial Conference of 1921 and the Washington Conference', p.150.

> (c) The existing practice of direct communication between the Prime Ministers of the United Kingdom and the Dominions as well as the right of the latter to nominate Cabinet Ministers to represent them in consultation with the Prime Minister of the United Kingdom, are maintained.[1]

Behind these prosaic statements there had been a dramatic confrontation between Hughes and Smuts. Hughes confidentially informed his colleague, Cook, of his victory:

> CONSTITUTIONAL CONFERENCE. This has perhaps been my best work. I have knocked the whole thing out. There is to be no Constitutional Conference. The Constitutional tinkers are securely soldered up in their own can. I gave them a pretty bad time.[2]

It was Smuts the Prime Minister of South Africa who was most concerned to promote this subject. Pressed partly by Boer influences in South Africa, Smuts was anxious to establish quite clearly the status of the Dominion by a declaration of constitutional rights. He prepared a lengthy memorandum on the subject for the conference. In the course of this memorandum Smuts pointed out the urgency for a quick solution for he sensed that the 'separatist movement' within the Empire was gathering momentum:

> Such movements already exist, notably in South Africa, but potentially in several of the other Dominions also. And the only way to deal with such developments is not to wait until they become fully developed and perhaps irresistible in their impetus, but to forestall them and make them unnecessary by the most generous satisfaction of the Dominion sense of nationhood and statehood. The warning against always being too late in coming to a proper settlement, which the example of Ireland gives to the whole Commonwealth, is one which we can only neglect at our own peril.....[3]

Hancock points out that Smuts had been impressed by Duncan Hall's book on The British Commonwealth of Nations, to which reference already has been made.[1] Smuts was anxious that specific matters should be cleared up by the declaration he had in mind:

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[1] 'Summary of Transactions...', XIV, p.11.

[2] Hughes to Acting Prime Minister, Sir Joseph Cook, 6 August, 1921; C.A.O., CP 103/3/1.

[3] Cited in Hancock, Smuts, vol.II, The Fields of Force, 1919-50, (Cambridge, 1968), p.44.

> Such a declaration would set out that, as a matter of constitutional right, the British Parliament has no legislative power in respect of the Dominions; that the King has no more constitutional right of Vetoing Dominion Bills than he has in respect of British Bills; and that the King in his Dominion Government has in respect of foreign affairs affecting the Dominions the same constitutional right that he has as King in his British Government in respect of the United Kingdom.[2]

In Hughes's statement of policy for the conference delivered in April to the Commonwealth Parliament, as we have seen, he gave an undertaking not to agree to any constitutional changes. On a number of occasions in the course of speeches in London he had crystallized his own philosophy on the subject: 'The Dominions and Great Britain were still one and indivisible: it was essential that British foreign policy should be moulded by the Empire as a whole and not by Great Britain alone'.[3] In Hughes's opening speech, aware that the subject was on the agenda for the conference, he scornfully dismissed the whole concept of such a declaration and the associated need for a conference on the subject. He failed to see what a conference and declaration could achieve: 'In effect we have all the rights of self-government enjoyed by independent nations'. Hughes knew of course that it was Smuts who had proposed the declaration and conference:

> I am sure between General Smuts and myself there is in fact very little difference, if any. But, nevertheless, I say that

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[1] See above, this chapter, III (a). Duncan Hall's account of the confrontation at the Imperial Conference between Smuts and Hughes reflects his deep interest in the subject - see his Commonwealth, p.365. ff.

[2] Ibid., p.45.

[3] The Daily Telegraph, (London), 30 May, 15 June, 1921, cited by Duncan Hall, Commonwealth, p.365.

> we are treading on very dangerous ground, and I say this to him. We have achieved this wonderful progress...is he not satisfied....? Let us leave well alone. That is my advice...We...are met together to formulate a foreign policy for the Empire...We are like so many Alexanders. What other worlds have we to conquer...?[1]

However, it soon became apparent to Hughes that there were differences. In the discussion on the Egyptian crisis some weeks later Hughes found Smuts on the other side of the case:

> Lloyd George turned out to be very strongly of my way of thinking, as did Lord Curzon and Balfour also. Smuts, as usual, was on the other side. It is worthy of note in these conferences Smuts is always on other side: that other side if accepted by the Empire would certainly destroy it. In this he has a very good supporter in Meighen.[2]

Some days later, at the twenty-second meeting, Hughes referred to Meighen's assertion that in the determination of the Empire's foreign policy, in those areas in which any Dominion was specially concerned the view of that Dominion should be given 'a weight commensurate with the importance of the decision to that Dominion'. Meighen had been speaking on the Anglo-Japanese Alliance.[3] Lloyd George already had given the lie to Meighen's proposition. For the British Prime Minister it was the whole Empire which now had the right to formulate foreign policy: 'The voice of the Empire must of course be communicated through the British Foreign Office. I do not see any other way of doing it without breaking up the Empre'. Hughes then added his view with respect to the constitutional aspects:

> I do hope, ...we shall not attempt to limit our freedom of action by reducing the Constitution to writing. Such a course can only have the effect of making the relations

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[1] Hughes, Imperial Conference, Stenographic Notes, 21 June, 1921; Hughes Papers, N.L.A., MS 1538.

[2] Hughes to Acting Prime Minister, 8 July, 1921; C.A.O., CP 103/3/1.

[3] See Meighen's speech, Imperial Conference, Stenographic Notes, E6, 24 June, 1921. The following is based on E22, 11 July, 1921; Hughes Papers, N.L.A., MS 1538.

> that exist between the different parts of the Empire impossible. The moment you set down what Britain can do and what the Dominions can do, it becomes at once apparent that if both insist upon exercising their powers to their uttermost limit, there is an end to the Empire. It is only by wise restraint, by refraining from exercising our undoubted rights as self-governing communities, that an Empire such as ours, which rests on two conflicting principles - autonomy of the parts and unity of the whole - can endure...It is because we have been cast in the same mould, and bred in the same Constitutional environment that we have exercised our privileges with that restraint without which this Empire cannot continue to exist...This Empire is united only because every member of it is free to go its own way. But if we once lay down this or any principle in writing, it must prevail.

Following this, Smuts delivered his basic address on the subject which followed much the same lines as his memorandum prepared for the conference. He proposed that in view of the current misconceptions on the nature of the Empire, as demonstrated by the views expressed by the United States, it was appropriate to formulate a statement of 'half a dozen principles or declarations'. This statement could be given constitutional sanction. At this conference Smuts did not receive the support that later conferences were to accord such proposals. Meighen considered the matter premature. Lloyd George re-stated his position. Hughes once again repeated his opposition to meddling with the apparatus that had been painfully evolved.

The next day the Prime Ministers alone debated the subject having in front of them a number of draft statements.[1] Consideration however was deferred to a later meeting to allow the Prime Ministers to study the proposals. Thus Smuts was effectively stopped from discussing the matter any further. The final discussion came on 27 July.[2] For this meeting Hughes had prepared his own memorandum. As Duncan Hall concludes, it was a 'powerful' statement of his case. Hughes took the opportunity to address the Prime Ministers by reading extracts from his memorandum, concluding with the advantages of elasticity in an unwritten constitution:

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[1] The following is based on Imperial Conference, Stenographic Notes, E23, 12 July, 1921. The draft Declarations of Balfour, Hankey, Smuts and Grigg are attached in the Appendices of the Notes.

[2] *Ibid.*, E31-B. Hughes Memorandum is attached in the Appendix of the Notes.

> There had never been anything more illogical in the world than the Constitution of the British Empire and yet no Constitution had ever worked so well. This was due to the circumstances or origin and race.[1]

Foreign policy was the point at issue. On this Hughes maintained that Britain retained her sovereign powers and amongst these were the powers necessary to determine the policy of the Empire with foreign nations. At the same time the Empire rested on the basis of unity of action in foreign policy. Britain could not surrender her powers in this area, for to do so would impair 'the fundamental principle of unity without which there can be no Empire':

> If it be accepted that unity is the basis of the Empire, then it is clear that on Foreign Policy, the Empire must speak with one voice. And it follows from this that Britain cannot waive any one of her rights to speak for the Empire without the consent of all the self-governing Dominions'....
>
> Clearly, then, once it is admitted that the Dominions have a right to an effective voice in directing Foreign Policy, it follows that Britain cannot entrust to any one Dominion the power to take any action with regard to Foreign Affairs except as and to the extent agreed upon by the representatives of the whole Empire.[2]

Lloyd George brought matters to a conclusion. He believed that Hughes's philosophy was appropriate for the Empire at this time. It was better to rest on precedents rather than to set down a 'Declaration of Rights'. The Prime Ministers then adopted the draft formula which Hankey had prepared and which was incorporated in the published 'Summary of Transactions' of the Imperial Conference. There is little wonder therefore, that

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[1] Ibid.

[2] Ibid.

Hughes at the conclusion of the conference cabled to Australia his colourful boast that 'the constitutional tinkers are securely soldered up in their own can'.

(iii) A COMMON FOREIGN POLICY and Imperial Defence.

In the words of the published summary of the conference, British policy in Egypt was the subject of 'close consideration'.[1] Prior to the conference, as we have noted above,[2] Hughes had deemed it necessary to cable to the Colonial Secretary to the effect that in view of Australia's deep interest in the control of the Suez Canal, a final decision on the subject should be deferred till the Imperial Conference had deliberated on the problem. This took place initially on the sixth of July and was resumed a week later. Curzon at the first session on the subject delivered a comprehensive survey of the problem caused by the 'political discontent' in Egypt since the conclusion of the War. During this extremely capable exposition Hughes regularly interrupted him, seeking clarification on obscure points. The problem was well put by Lord Allenby, the High Commissioner, whom Curzon cited:

> Western ideas of autonomy and self-government, not to speak of independence, to which the great war gave so considerable an impetus, have gained too strong a hold on all sections of the community in Egypt for it to be possible for us to return to old-time methods, or to look to the administrative devices created by Lord Cromer for precedence to guide us in our future action. The opinion of such leaders as Zaghloul has entered too deeply into the imagination of the people of Egypt to render any such solution of the problem possible.
>
> I have on many occasions emphasised to your Lordship that the memorandum published in Egypt in August last has come to be regarded, whatever the real intentions of His Majesty's Government, as a substantive offer; and that any wide departure from the main principles of the settlement which that memoranda advocates would be regarded as a breach

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[1] 'Summary of Transactions...', p.6.

[2] See above, this chapter and section, (a).

> of faith, not only in Egypt itself, but by world opinion at large.[1]

In the above statement Allenby referred to the proposal of Lord Milner in August 1920 after his 'Mission to Egypt'. Briefly, in place of the protectorate Milner advised a constitutional monarchy arranged by treaty with Greaty Britain. Egypt for her part would confer upon Great Britain the rights necessary to safeguard her 'special interests' meaning the Canal and the right to assure other powers that their interests in the 'Capitulations' would be adequately compensated. Further, to meet the demands of the nationalist, Zaghoul Pasha and his supporters, Milner agreed to hand over to the Egyptians the control of their foreign affairs and the right of representation in foreign countries. This was, Curzon concluded, a very advanced proposal concerning which there was considerable debate. Since matters had come to a head the Government on 22 February, 1921, published the following statement:

> His Majesty's Government, after a study of the proposals made by Lord Milner, have arrived at the conclusion that the status of protectorate is not a satisfactory relation in which Egypt should continue to stand to Great Britain. While they have not reached final decisions with regard to Lord Milner's recommendations, they desire to confer regarding them with a delegation...nominated by the Sultan, with a view, if possible, to substitute for the protectorate a relationship which would, while securing the special interests of Great Britain and enabling her to offer adequate guarantees of foreign Powers, meet the legitimate aspirations of Egypt and the Egyptian people.

The Egyptian situation had seemed to be developing nicely. However, in May 1921 riots broke out in Alexandria. The two rival leaders, Adli Pasha and Zaghoul Pasha had fallen out in a struggle for power. This was the situation that confronted the conference.

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[1] Imperial Conference, Stenographic Notes, E17, 6 July, 1921; Hughes Papers, N.L.A., MS 1538. The following is based on this record of the discussion.

This survey by Curzon proved to be most illuminating to the Dominion leaders. After Curzon had completed his discourse he invited comment from the Dominion leaders. As Meighen was not ready to lead the discussion, Hughes, who admitted he was 'ill-equipped' to contribute nevertheless launched out on an associated matter. He confessed that Curzon's report was 'something of a shock' as he had had 'no communication' from the Colonial Office nor any from the Foreign Office. Hughes referred to his cable to Curzon and explained that he could be accused of taking 'a narrow and biassed view' but he opposed altogether the adoption of the Milner Report. Hughes believed the ultimate cause of the problem was Wilson's much vaunted and 'glittering phrase "self-determination"'. That point aside, Hughes remarked that he had attended the Imperial War Cabinet during 1918 and the British Empire Delegation at Paris in 1919 and none of the matters mentioned by Curzon were brought to the attention of those Meetings. At this Lloyd George butted in to comment that neither he nor Balfour, Foreign Secretary at the time, had been aware of the developments in Egypt. That may be so, was Hughes's rejoinder, nevertheless Australia was now being asked to agree to a proposal with respect to Egypt and the Suez Canal of which she had had no prior knowledge. And this was in a matter vital to her trade and defence interests. As Hughes remarked years later, the Empire was committed without being consulted, or even notified of a revolutionary policy in Egypt'.[1] There was no need at the time for Hughes to elaborate the point implicit in his comments: the importance to the Dominions of an effective share in controlling foreign policy.

The following week at a meeting of the Prime Ministers Hughes commented that there was even a delay in receiving a reply to his telegram to Lloyd George on the Egyptian crisis. Lloyd George explained that the British Cabinet had felt just as much disturbed as Hughes but it had been impossible to send a reply until the Cabinet had been consulted. As Milner, a Cabinet member, had acted without referrring the matter to the Foreign Secretary or himself Lloyd George pointed out, the subject had to be sorted out first.[1] Here was the answer to what seemed to the Dominions a 'perfectly incredible' action on the part of Great Britain.

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[1] Hughes, Splendid Adventure, pp.172-92. The discussion in this book follows very closely the Imperial Conference Notes.

As a result, it was resolved that this should not happen again. The Dominions were to be kept fully informed in future of any proposed modifications of Imperial foreign policy.[2] Indeed this decision was implemented immediately for the Prime Ministers were supplied from thence with copies of Foreign Office publications and they also received relevant despatches and cables on foreign affairs.[3]

The conclusions of the conference first of all dealt with foreign policy. So that this goal of common foreign policy, for which Hughes had striven, could be achieved, the conference deliberately incorporated the following sentiments in its final statement on foreign policy:

> They *(Conversations)* revealed a unanimous opinion as to the main lines to be followed by British policy, and a deep conviction that the whole weight of the Empire should be concentrated behind a united understanding for common action in foreign affairs. In this context, very careful consideration was given to the means of circulating information to the Dominion Governments and keeping them in continuous touch with the conduct of foreign relations by the British Government. It was unanimously felt that

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[1] Imperial Conference, Stenographic Notes, E24-A, 12 July, 1921; Hughes Papers, N.L.A., MS 1538.

[2] See Hughes, Splendid Adventure, chapter XI, 'Foreign Policy: The Foreign Office', pp.216-68. See Zara Steiner and M.L. Dockrill, 'The Foreign Office Reforms, 1919-21', Historical Journal, vol.XVII, no.1, 1974, pp.131-56, for the Foreign Office's attempts to put its own house in order.

[3] Duncan Hall, Commonwealth, p.413.

> the policy of the British Empire could not be adequately representative of democratic opinion throughout its peoples unless representatives of the Dominions and of India were frequently associated with those of the United Kingdom in considering and determining the course to be pursued.1

Naval defence was the subject of the meeting of the Prime Ministers on 4 July.[2] Up to that point the Anglo-Japanese Alliance had been virtually the sole topic of the conference. For Hughes naval policy and the Alliance were inextricably interwoven: the renewal of the Alliance would allow the cutbacks in naval expenditure which the economic slump dictated: renewal would provide a much needed breathing space in the crippling naval race that had gripped Japan and the United States. At the same time Hughes recognized that naval power was the basis of Imperial foreign policy.

The Admiralty had prepared a number of papers on the naval policy of the Empire. One of these, 'Empire Naval Policy and Co-operation', pointed out that the worst threat that could face the Empire was a 'simultaneous threat to our command of the sea in the East and West':

> The worst situation with which the British Empire could be faced, from a naval point of view, would occur if Japan seized the opportunity of aggressive action in the Pacific at a time when the situation at home was threatened from another quarter, and reinforcements capable of dealing with the whole of Japan's main forces could not immediately be spared.
>
> A situation of this nature could only be met by the existence of such naval forces in the outlying portions of the Empire as would enable the deficit in naval strength to be made up and the strength of the Japanese Fleet to be counterbalanced. Happily this extreme case is improbable, but it clearly shows the ideal after which we should strive, that is to say, an Empire Navy capable of holding simultaneously the command of the seas in

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[1] 'Summary of Transactions...', p.3.

[2] Imperial Conference, Stenographic Notes, E14-A, 4 July, 1921; Hughes Papers, N.L.A., MS 1538.

both East and West.[1]

This vital point was discussed at some length by the Prime Ministers who quizzed Admiral Beatty, the First Sea Lord, at some length.[2] Hughes in particular directed question after question at him.

At the beginning of the debate Balfour drew attention to Hughes's assertion that in the event of the Empire being unable to guarantee Australia's security it would be necessary for them to appeal to America. Balfour agreed with Hughes. It would be a case of sheer necessity. Churchill then asked whether the Japanese would be able to invade Australia in a war with the British Empire if the British Fleet was at Singapore. Beatty believed that Australia would be safe. He considered the more likely conflict was between the United States and Japan. Hughes however brought Beatty back to the conflict that interested Australia: a life and death struggle in the Pacific between Japan and the Empire. Hughes pointed out that should Hong Kong fall there would be a gap of some weeks before the Fleet could arrive at Singapore. In those circumstances, even though the United States would come to Australia's aid, Beatty did not believe that the United States Navy would be able to prevent the Japanese from occupying whatever they chose. Lloyd George asked Beatty straight out whether he believed Japan would attack Australia with the British Fleet in Pacific waters. On this, Beatty again did not consider the Japanese would be so foolish, but should she occupy 'base five' Japan would be in a position to attack Australia. But such an occupation would 'bring the United States in against her'. The implication was that Japan would not dream of engaging the British and American fleets simultaneously.[1] Further, neither of the Admirals, Beatty and Lee, contemplated the prospect of the fall of Singapore. The assumption of an impregnable Singapore was axiomatic during this discussion. It was for this latter reason that the C.I.D. memorandum on Singapore, prepared for this conference, recommended that, all factors considered, Singapore should be developed as a major base along with Hong Kong.[2]

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[1] Paper E4, 'Empire Naval Policy and Co-Operation', February, 1921; Hughes Papers, N.L.A., MS 1538/156/4.

[2] Imperial Conference, Stenographic Notes, E14-A, 4 July, 1921; CAB 32/2/1A. The following is based on this record of the meeting.

There was of course the basic assumption that Japan was the only and potential enemy in the East. Some days after the above discussion at the next meeting on the subject Lloyd George warned the Prime Ministers that it would be a 'calamity' if the press got hold of Beatty's remarks. 'It would appear to Japan', he went on, 'that we were preparing a great attack upon Japanese naval supremacy'. The utmost secrecy was preserved. Only one copy of these conversations was made and this was placed in the hands of the secretary, Hankey.[3] There had never been any doubt about Hughes's views on the threat that Japan posed to the stability of the East and the Pacific. If there were, then these would have been dispelled by his remarks to the Prime Ministers on 22 July. As Hughes saw it the real problem was to what extent the powers would allow the Japanese to exercise an Asian 'Monroe Doctrine' just as the European powers had exercised spheres of influence around the globe. Stemming from the problems Hughes could see difficulties arising for Australia. Should the Americans persist with their 'Open Door' policy in China and elsewhere, then the Japanese would have every right to insist on the 'Open Door' in the Pacific. Directing his remarks to Curzon, he reminded the Prime Minister that:

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[1] 'Base five' by implication would be one of the major naval bases of the United States in the Pacific. It is very likely, from the ensuing discussion, that Beatty was referring to the Philippines for such a base would outflank Hong Kong and Singapore.

[2] 'Singapore: Development of a Naval Base', by Overseas Defence Committee of the C.I.D., June, 1921; Hughes Papers, N.L.A., MS 1538/156/4. There was a Treasury reservation to the above conclusion in view of the lean financial situation in which Britain was placed in these years. The Treasury official opposed expenditure on the scale proposed: '.....The hypothesis is that within the near future Japan, who is at present our Ally, may consider it worth her while to challenge the British Empire, with its overwhelmingly superior naval and financial resources. To enter upon such a struggle with the remotest prospects of success she would have to be able to count at least on the benevolent neutrality of the United States and, to ensure the success of a military attack on Hong Kong, probably of China also. I submit that such a situation is almost incredible... In short, the financial position is such that in my opinion there is no alternative but to face such risks as may be involved in the present condition of our defences in the Far East and to rely upon diplomacy to obviate them'.

[3] Imperial Conference, Stenographic Notes, E26-A, 19 July, 1921; CAB 32/2/1A. These were the most secret Meetings. Hankey informed Hughes that they were being circulated to the Prime Ministers alone; Hankey to Hughes, 6 October, 1921, Hughes Papers, N.L.A., MS 1538/109/1.

> The real cause and origin of the problems of the Pacific are that there are 70 million people in a group of Islands: they are growing rapidly and there is no room for them. They have a great fleet and a great army and they must expand. Where are they going to go? That is the question.....

Here was the problem of the Pacific as Hughes saw it. There was a further complication. He believed that to discuss disarmament at Washington without settling these Pacific issues was pointless:

> You see the attitude Japan, United States and of course ourselves would maintain towards the problem of disarmament would depend on the question whether these Pacific problems had been cleared up...These little men will make speeches they will be civil and exceedingly polite but all that will mean nothing if they are waiting for a settlement of the Pacific. That is a sham and a perfect farce.

To attend a Washington disarmament conference in these circumstances would be a 'waste of time'. Hughes laid the blame for this predicament squarely on the shoulders of the Americans:

> We ought to tell America straight. I do not think there is anything to be gained by servility to America; it is not good for them, and certainly not good for us. It is spoiling them. It is giving them a very exaggerated idea of their own importance in the world and is not consistent with the self-respect of a great Empire like this...we ought to talk to them...like men who are talking on equal terms with friends...They cannot afford to make this thing a

failure.....[1]

Hughes was just as forceful in his remarks in the debate on the contribution by the Dominions to Imperial naval construction. Just as he had maintained that an adequate Imperial foreign policy could only be based on naval defence so he argued that the Dominions should share in the cost of that defence:

> *(Britain)* could no longer alone be responsible for the defence of the Empire...other parts of the Empire must do their share. To that doctrine I subscribe without reservation. I think it is the corollary of our admission to the Councils of the Empire to determine the foreign policy. The foreign policy determined or approved by us could lead to war...We cannot be entitled to ask to be allowed to determine the foreign policy unless we pay our share. We are a united empire or we are nothing. Now who is to say from what quarter danger will come to any one of us. It comes now from the East and tomorrow from the West...I cannot subscribe to the view that because Australia and New Zealand are in the danger zone at this moment - a hypothetical danger zone - we should pay more than other Dominions...It is evident that there is no equitable distribution of the burden and such a state of things ought not to continue.[2]

The context for the latter remarks by Hughes was the disagreement between the Dominions on the share each should pay towards Imperial defence. The Admiralty proposal of a 'one-power' standard by which the Empire maintained naval 'equality with any other Power' was the basis for these discussions during the latter stages of the Conference late in July.[3] The principle of Dominion navies had been retained but the Admiralty, faced with an estimated budget of 60 million pounds over the next five years, was not able to finance it from purely British sources. Smuts had proposed that these naval construction costs should be a 'first charge' on the British Empire's receipts from Germany's reparation payments. Treasury representatives informed the chagrined Prime Ministers that the Empire probably would not receive anything under the Reparations in 1922 but that in the following year it was estimated that some 33 million pounds to 44 million pounds would be received.[1] The previous week the share each Dominion would receive of the 22% allotted to the British Empire for Reparations had been accepted by the Prime Ministers in principle.[2] Assuming an annual expenditure of some 16 million pounds over the next five years to cover the Admiralty's expenditure Smuts had estimated that Great Britain and each of the Dominions should contribute on the following basis: Great Britain, 14.2 million pounds, Canada and Australia, 740,000 pounds each, New Zealand, 295,000 pounds, India, 204,000 pounds,[3] and South Africa 102,000 pounds. Thus Great Britain was to bear the great bulk of the cost with the Dominions easing the burden somewhat. It is significant to note that the proposal was put forward by South Africa which stood to gain least from Reparations and was not considered to be in the 'danger zone'.

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[1] Imperial Conference, Stenographic Notes, E27-A, 22 July, 1921; CAB 32/2/1A.

[2] Hughes, Imperial Conference, Stenographic Notes, E26-A, 19 July, 1921; CAB 32/2/1A.

[3] The 'one-power' standard was accepted by the Prime Ministers on 27 July, 1921; Hankey, 'Naval Defence', Memorandum, 1 August, 1921, C.A.O., CP 290/15/4.

Lloyd George in supporting the proposal emphasised that to keep up Britain's position as a first class power at Geneva and in the eyes of the world it was necessary to have a first class Fleet. He explained to the Dominion leaders that because of this even if the Dominions found they could not help, the 'United Kingdom would go to the brink of bankruptcy rather than sacrifice their naval position'. As it was the proposal would only add one 'Dreadnought', which was quite helpful, but the Welshman would have preferred two of them as the contribution of the Dominions. Quite aside from the financial question, sharing in the naval defence of the Empire demonstrated that the 'Dominions were partners in the British Empire'. As has been explained above Hughes was willing to pay his quid pro quo for a voice in Imperial foreign policy and so was Smuts. Meighen explained that the proposal would present difficulties for him. He did not believe the Canadian Parliament would 'pass for payment contributions to such a force'. The only Province really affected, he explained, was British Columbia. Admittedly, feeling there was 'not very different from that in Australia' but he did not consider this was a sufficient case to sway his Parliament. In these circumstances it is not surprising to note that Hankey recorded that all the Dominions assented to the proposal except Canada 'whose assent was reserved'. Meighen requested that the subject should be deferred until after the forthcoming Conferences on the Pacific and Disarmament. After this meeting Hughes immediately notified Hankey that in view of Canada's dissent he would be unable to accept the proposal. He pointed out that his assent had been on the basis of complete unanimity in the joint venture.[1]

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[1] Imperial Conference, E26-B, 20 July, 1921; CAB 32/2/1A. The following is based on this record.

[2] See below. There was a hotly contested debate on this vexed issue. The two meetings allotted to it did not reach finality. By the time the above meeting was convened the proportions had been settled.

[3] 'Draft Resolution', 20 July, 1921; Hughes Papers, N.L.A., MS 1538/156/4. The 'Draft Resolution' is also to be found in Appendix II, of Imperial Conference, E26-C, 22 July, 1921; CAB. 32/2/1A.

At yet another meeting on the twenty-second[2] in an endeavour to find an acceptable formula, Hughes explained to the Prime Ministers the reason for his reversal. Canada's refusal would have placed him in an impossible position with his Parliament. Smuts concluded, what was obvious, that since the two largest Dominions had now dissented 'the scheme was dead'. Hughes pointed out that unanimity provided an irrefragable case but a division on this issue played into the hands of those in Australia who favoured even greater disarmament. There was nothing for it but to adopt Meighen's stance. He therefore submitted his own motion which accorded with Meighen's own statement. The remainder of the meeting was spent discussing the wording of a resolution which Hankey was to submit to all the Prime Ministers for their approval. Some days later[1] at the final debate on the subject there was a spirited discussion on Smuts's original proposal. It was obvious that it would be impossible to agree upon any adequate scheme to which all should contribute. Lloyd George even suggested that the Meeting should consider accepting Smuts's proposal despite Canada's dissent. Meighen would then be in a position to return to Canada, explain the position and it might well be that 'the Canadian people would acquiesce in it'. Hughes stuck to his position. Only a unanimous decision would enable him to carry the proposal in the Australian Parliament. As he explained to the Dominion leaders, he could not 'court disaster'. He admitted that he had his own 'political difficulties just as everyone else had' and so he would have to opt out of the scheme unless there was a unanimous acceptance of the scheme.

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[1] Hughes to Hankey, 22 July, 1921, Appendix I, Ibid.

[2] Imperial Conference, Stenographic Notes, E26-C, 22 July, 1921, CAB 32/2/1A.

Lloyd George though, did have the last word. He was the master of compromise, of the pragmatic solution. On his recommendation the Prime Ministers agreed to accept the revised proposal based on Meighen's stance and which would be published but at the same time all agreed to bring Smuts's proposal to their respective Parliaments. Thus the following resolution appeared in the published summary of the work of conference:

> That, while recognizing the necessity of co-operation among the various portions of the Empire to provide such Naval Defence as amy prove to be essential for security,

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[1] *Ibid.*, E31-A, 27 July, 1921.

> and while holding that equality with the naval strength of any other Power is a minimum standard for that purpose, this Conference is of opinion that the method and expense of such co-operation are matters for the final determination of the several Parliaments concerned, and that any recommendations thereon should be deferred until after the coming Conference on Disarmament.[1]

iv. Reparations.

The Prime Ministers met on two occasions to thrash out the proportions each nation would receive of the 22 per cent of Reparations allotted to the Empire. It was a doleful debate. The basis for the allocation was the relative contribution of each Dominion measured by the casualties sustained. As Massey ruefully remarked, it was the attempt to quantify 'the relative suffering of one country as compared with another'.[2] It hinged on the basis of comparison. Some Dominions came out better depending on whether total casualties as a proportion of enlisted men was employed rather than as a proportion of the total population, while another Dominion's percentage would rise a decimal fraction if the latter basis was used. Hughes summed up the petty horse-trading and squabbling in which he had participated, for his report to Australia:

> Tables have been drawn up resting upon different bases in which Australia's hare varied from 7 per cent to 5 per cent and Canada's from three per cent to five per cent. Naturally Canada, as indeed were we all, in favour of that particular schedule which promised the most to our respective Dominions. It appears that Canada, despite much blowing of trumpets, has suffered very much less in the war than we have and is doing very much less for her soldiers, their disablement being at least 20 per cent less than ours both in proportion and in the aggregate. South Africa, of course, was almost a negligible factor.[3]

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[1] Meighen was not present at the Meeting on the twenty-seventh. Mr. Ballantyne, the Prime Minister's colleague and the Navy Minister, undertook to convey the resolution to Meighen.

[2] Imperial Conference, Stenographic Notes, E (R) Meeting, 6 July, 1921; Hughes Papers, N.L.A., MS 1538.

[3] Hughes to Acting Prime Minister, Cook, 8 July, 1921; C.A.O., CP 103/3/1.

There was good reason for Hughes upholding the Australian case. Had he not done so Australia's share would have been lower. As Hughes explained at the next session:

> If you are going to take casualties you must have a uniform method, and I submit the method should be disability resting upon a common basis. If you are going to say that Canada's disability includes 46 per cent. who are under 10 per cent. of disability, and a further 26 per cent. under 20 per cent., then 70 per cent. of casualties included by Canada are excluded from the Australian figures. Very well, if you do include these, and we have as much right to do so as any other part of the Empire, if you are to base it upon justice and estimate the loss to a country like Australia upon the disability of its fighting men, we must include the casualties under 20 per cent of disability and there must be added to Australia's casualties an additional 70 per cent. to adjust our figures to the Canadian denomination.[1]

The discussion in the end bogged down with the Dominion Prime Ministers bickering amongst each other. In the end, Massey, who stated that he deplored this 'most undignified squabble' proposed that the argument should be settled by arbitrators as it was obvious to all that the Prime Ministers alone would not be able to reach an amicable settlement. This declaration was the turning point for very quickly, the Prime Ministers abashed at this rebuke settled their differences, Canada and Australia agreeing to accept a percentage which gave them an equal share. The summary of the work of the conference gave no indication of the acrimonious debate and simply stated the bald percentages upon which agreement had been reached:

United Kingdom	86.85
Minor Colonies	.80
Canada	4.35
Australia	4.35
New Zealand	1.75
South Africa	.60
Newfoundland	.10
India	1.20
	100.00 [2]

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[1] Imperial Conference, Stenographic Notes, E (R) Meeting, 13 July, 1921; Hughes Papers, N.L.A., MS 1538.

[2] Imperial Conference, Summary of Transactions, 5 August, 1921; Ibid.

Despite this effort to secure the most for Australia, Hughes was not confident that his labours would bear any fruit:

> I hope that we shall get something, but I have my doubts. If we do, so much the better; if we do not, then we are 800,000 pounds better off for my visit to London, for the first payment will be wholly devoted to payment of priorities, amongst which Army of Occupation is included.[1]

v. Imperial Communications.

The range of Hughes's involvement at this conference is confirmed by his work in regard to Imperial communications. In its own way, Hughes regards this subject as the crux of the solution to the basic problem of instant communication and information so that adequate consultation could be effected on Imperial foreign policy. As he wrote years later in his Splendid Adventure, at the conference his enthusiasm was not shared by any of the Dominions.[2] It may well be that Canadians and South Africans, so much closer to the centre of the Empire did not share the urgency which so evidently gripped Hughes on the subject.

The Australian Prime Minister delivered a lengthy address to the conference on 5 July on the matter. For years the Dominions had begged for adequate information and consultation as issues arose. Now the technical requirements to achieve this objective were a reality or were fast becoming possible. As things were, Hughes pointed out, an Imperial conference and Cabinet were the only effective means of communication. He did not regard the 'Resident Minister' as an adequate solution for the longer such an officer remained in Britain the more he would lose touch with Dominion attitudes and really he would not possess adequate authority to express the opinion of the Government. Thus 'the share of the Dominions in determining foreign policy cannot be a substantial one', he concluded. Communications then was the key to 'a real voice in determining the destiny of the Empire'. His proposal was quite simple:

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[1] Hughes to Acting Prime Minister, Cook, 6 August, 1921; C.A.O., CP 103/3/1.

[2] Splendid Adventure, p.271.

> That this Conference shall approve of a scheme of wireless linking the Empire together, that Great Britain shall say: "We will put up our plant, you put up your plant". In this event we will put up a plant in Australia which will communicate direct with you, and every other Dominion can do the same. Then every Dominion is in this position, it need not wait on any other, either to begin construction or to reap the advantages. It is true ti will be cut off from the other Dominions that do not erect wireless stations, but it will have direct communication with the heart of the Empire, and you with that Dominion.[1]

As he had concluded in his memorandum on the subject, an '"All Red" wireless system encircling the world' ought to be taken in hand immediately.[2] For the rest he proposed an 'Air Service and an improved Passenger Service'. On his suggestion, a small conference committee was set up to consider the practicality of the schemes and to recommend definite lines of action to be taken.

A week later in committee, Hughes outlined his plan for an 'Imperial Airship Service'. This was to be an 'All Red' route too: London to Cairo, then India, and so to Melbourne and New Zealand would place the Pacific Dominions in direct communication while Cairo to South Africa would complete the chain for the southern Dominions. It was an ambitious and adventurous project, one which Lloyd George hailed and admitted would revolutionise Imperial communications.

Churchill however brought the discussion down from the clouds to the harsh realities of practicality by introducing the British experts into the discussions. Sir Frederic Sykes,

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[1] Imperial Conference, Stenographic Notes, E-16., 5 July, 1921; Hughes Papers, N.L.A., MS 1538. The following is based on this address.

[2] Hughes, Memorandum, 'Imperial Wireless Communications', 2 July, 1921; CAB 24/85, GT 7842.

Comptroller-General of Civil Avaiation at the Air Ministry pointed to the technical problem facing such a grandiose scheme apart from the huge cost of the venture. Churchill was prepared to admit that if the scheme could be proved to be practicable then it should be pursued. On the other hand unless a concrete proposal resulted, the current service was to be abolished in August. F.E. Guest, the Secretary of State for Air supported Churchill on this. He suggested that it was necessary either to adopt an airship policy on a larger scale in view of the economies which would accrue or else the project should be abandoned altogether. Smuts drew attention to the point that if it was vital to the interests of the Empire to secure air supremacy then it was worthwhile to examine the scheme. Churchill agreed that it was tragic that the current scheme should be scrapped in view of the millions spent on it and that Britain had led the world (apart from the Germans) in this field. It was only the need for retrenchment and the prospective costs which had brought them to this decision. There the matter ended. The summary of works of the conference made no mention of Hughes's proposals.

After the conference Hughes was so concerned by the Prime Ministers' apathy on the subject and he was so inspired by the possibilities of an Imperial Airship Service that he privately wrote to Lloyd George. Hughes regretted that the conference could not come to a definite agreement for co-operative action. He foreshadowed that he would promote the project to the Australian public and Parliament. He deplored the decision to scrap the current programme: 'To sell them for scrap is a penny wise pound foolish policy', he observed. He requested a reprieve for the British airships until he could

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1. Imperial Conference, Stenographic Notes, E-24A, 3-24B, E-32B, 12, 13 July, 1 August, 1921; Hughes Papers, N.L.A., MS 1538.

place the matter before the Australians.[1] At the end of the year, true to his word Hughes notified Lloyd George that the Australian Parliament, both the Representatives and the Senate, by a unanimous decision requested the Imperial authorities to stay their hand with respect to the scrapping of the plant and equipment and the dispersal of the experts. The resolution also expressed regret at the decision to abandon consideration of the Imperial Airship Service. The Australian resolution, supported by the Governor-General requested that no final decision be taken until the subject was considered by Empire representatives at the next Imperial Conference.[2]

Churchill also introduced his experts into the discussions on wireless communications. Both Sir Henry Norman and Dr. Eccles, noted for their writings on the subject, cast doubt on the feasibility of any scheme based on direct communications with Australia. The British scheme envisaged a chain of low-powered stations relaying information by way of an 'All Red Route' to the Dominions. Hughes opted out of the British scheme preferring to pursue the possibilities of high-powered transmission which his own advisers had convinced him was indeed possible and practicable. Although Hughes produced ample evidence of the results that already had been established by the Australian Amalgamated Wireless Company in its messages between Melbourne and London, the conference resolved to stick to the British scheme. Hughes was given 'full freedom of action' to decide the method by which Australia would co-operate in the

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[1] Hughes to Lloyd George, 22 August, 1921; Lloyd George Papers, House of Lords Record Office, MS F/28/3/54.

[2] Governor-General of Australia to Colonial Secretary, incorporating Hughes's message to Lloyd George, 13 December, 1921; Lloyd George Papers, House of Lords Record Office, MS F/10/1/60. For a full account see Fitzhardinge, The Little Digger. It was another ten years before an air service between England and Australia got off the ground.

'Imperial Wireless Scheme'.[1]

(vi) Immigration and the Empire.

At a secret meeting of the Prime Ministers the explosive question of the rights of Indians in the Empire was brought to the attention of the conference by Montagu the Secretary of State for India and Srinivasa Sastri, the Indian delegate. Hughes's amendment designed to remove civic disabilities of Indians in South Africa was the point which sparked off a wide ranging debate that touched on the problem of racial and ethnic minorities in the Empire. Massey demonstrated that the Maoris of New Zealand enjoyed substantially the same rights as Europeans. Hughes was clearly embarrassed by references to the Aboriginal question while the Irish question in Great Britain was labelled a 'stain on the Empire'. Smuts declared that as a Dutch Prime Minister of South Africa the question under review placed him in an impossible situation. The Indian question was largely one that affected Natal, a British Province. He would be accused of betraying British interests were he to accede to the resolution. The position of the British in Natal would become untenable. Hughes pointed out that perhaps Meighen was also in much the same position in Canada with regard to the French of Quebec.

In these circumstances Hughes who initiated the embarrassing amendment was prepared to withdraw it. He remarked that the situation was reminiscent of the predicament which he found at Paris in 1919 over the 'Racial Equality' clause. There, the Japanese were not prepared to accept a rider to the clause which would make it clear that immigration arrangements were excluded from the application of the clause. The Australian Prime Minister pointed out that the passage of the amendment was immaterial to him as the principle already had been established in Australia. These latter remarks were especially directed by way of explanation for Sastri's benefit. In the end Hughes's amendment did stand; Smuts provided a rider with respect to South Africa's special circumstances and Sastri countered with a further rider so that public opinion in India would be atoned:

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[1] Imperial Conference, Stenographic Notes, E-32B, E-33, 1, 2 August, 1921; Hughes Papers, N.L.A., MS 1538. Again for the full account of Hughes's resourcefulness see Fitzhardinge, The Little Digger: *(As a result of Hughes's endeavours)* ' the first "beam service" in the world was successfully established', in 1923.

> ...The Conference accordingly is of the opinion that in the interests of the solidarity of the British Commonwealth, it is desirable that the rights of such Indians to citizenship should be recognised.
>
> The representatives of South Africa regret their inability to accept this resolution in view of the exceptional circumstances of the greater part of the Union.
>
> The representatives of India, while expressing their appreciation of the acceptance of the resolution recorded above, feel bound to place on record their profound concern at the position of Indians in South Africa and their hope that by negotiation between the Governments of India and South Africa some way can be found, as soon as may be, to reach a more satisfactory position.[1]

Towards the end of the Conference Hughes invited Sastri to visit Australia the following year.[2] Sastri's mission was accorded a favourable reception, even his opponents applauding his visit.[3] He was a fine ambassador for the Indian people. The Times of London published an extract of Hughes's tribute to Sastri which the Indian Government itself had published:

> ...Your visit has been one of Imperial significance and has afforded the people of Australia an opportunity of

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[1] Imperial Conference, Stenographic Notes, E (SC), 15 July, 1921.

[2] Sastri to Hughes, 2 August, 1921; Hughes Papers, N.L.A., MS 1538.

[3] The Argus, 12, 13 June, 1922.

> realising something of the vastness and complexity as well as the splendour of our Empire. Your presence here has been of itself an education to many amongst us. You have by your speeches and your presence lifted the curtain of prejudice and want of knowledge and revealed to us something of India as it really is. By those admirable speeches of yours you have educated public opinion inside and outside Parliament, made that possible which before your visit was impossible, and you have brought those reforms covered or suggested by the resolutions of the 1918 and 1921 Conferences with the range of practical politics.....[1]

Thus Hughes's Government and the subsequent Bruce-Page Government were prepared to grant Indians of the Empire special concessions which other Asians were not conceded. The extremely small size of the Indian community in Australia along with the reciprocal immigration arrangements ensured that there was no danger to the 'White Australia' policy. Critics saw the element of expediency here.[2] Then again, Hughes as a convinced Empire enthusiast was anxious to retain the grateful support of its members. Hughes himself had consistently advocated a maximum war effort as the best guarantee of imperial aid in meeting the anticipated challenge of Japan to the 'White Australia' policy. It was also the logical outcome of the policy outlined by Lionel Curtis on his visit to Australia in 1916 for a solution to the threat of Asian migration within the Empire in the post-war period.[3]

Hughes was vitally interested in the special committee on 'Empire Settlement and Migration' which discussed schemes for assisted migration throughout the Dominions for British mgirants. Not only would there be assistance in passage fares but liberal loans could be arranged to meet the more expensive costs of re-establishment.[1]

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[1] Hughes to Sastri, June, 1921; C.A.O., CRS A 2219, vol.XIX, and The Times, (London), 12 October, 1922.

[2] See Yarwood, Asian Migration to Australia, pp.137-40.

[3] See above, Chapter II, (V).

The 1921 Imperial Conference was the high point of Hughes's career as Prime Minister in the field of external relations. His eloquence, wit, and effectiveness in debate surpassed even his efforts at Paris in 1919. As well, there was now a maturity, depth, and balance, that was lacking somewhat at Paris. He had also reached the pinnacle of success in his objectives. The Anglo-Japanese Alliance had not been reneged. It seemed as though somehow the United States could become a partner in defence arrangements in the Pacific. It was clear from the secret Meetings on defence that leading figures in Britain also shared Hughes's severely realistic outlook and cynicism with respect to Japan's aims in the Pacific and the Far East. The decision to develop Singapore was a recognition of that threat. On the formulation of Imperial foreign policy in which the Dominions had shared at the Conference, there was tacit agreement on the need for up to date and regular information and personal consultation. The gap between centralism, the 'single voice', and an independent role by the Dominions, emphasised by the Canadians, was as elusive as ever. Imperial communications, Hughes hoped, would be revolutionised by the technical marvels that had been developed under the pressure of the War. It was fitting at his last appearance on the Imperial stage as a statesman of the Empire that he should have finished such a high note.

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[1] Imperial Conference, Stenographic Notes, E (SC), 15 July, 1921; Hughes Papers, N.L.A., MS 1538.

III The Washington Conference

Dominion Representation

Some weeks after the conclusion of the Imperial Conference the Australian Prime Minister, who was on the point of leaving Britain thought it fit to publish his dissatisfaction over the arrangements for Dominion representation at Washington, in The Times:

> I think it is a matter for profound regret that the United States Government could not see its way clear to hold the preliminary Pacific conference suggested by the representatives of the British Empire. A frank discussion of the fundamental powers interested, and with China, would have cleared the way for the main conference. If a settlement of the Pacific questions is humanly possible it could have been arrived at that preliminary Pacific conference, and I think it is obvious that if no settlement could have been arrived at there, when the conference was composed wholly of those Powers directly interested, it is hopeless to expect a settlement by the much larger and more unwieldy body which will be assembled at Washington.[1]

The failure to hold a preliminary conference to which the Dominion leaders, on hand, could have attended, was one thing but as matters turned out the Dominions were not represented as separate entities at all. They were represented by one delegate, each within the framework of a small British Empire Delegation. The Paris Peace Conference had established the principle, one might say, of separate Dominion representation at international conferences. After all, each had member status in the League. There was the rub. As Galbraith has pointed out, the failure of the Harding administration to extend separate representation to the Dominions was in accordance with the opposition of the Republican party to the separate voting power given the Dominions in the League.[1] In these years the United States held that the British Empire was a single unit properly represented by Great Britain. The reservations expressed by the United States Senate on the Treaty and the League included the conviction that the United States could be out-voted in the League by the Empire six to one. As J.C. Vinson concluded, '1921 was not from the American point of view an auspicious time to champion direct representation from Australia at an American sponsored conference'.[2]

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[1] The Times, (London), 22 August, 1921.

There is evidence though, to demonstrate as both Galbraith and Vinson do, that in fact it was Curzon more than anyone else who blocked Dominion representation. As we have observed, during the confused negotiations during July, Secretary of State Hughes had reckoned on Dominion representation. Curzon also had acted on that basis. It was the fact of the presence of Hughes and Massey that had been the lever that had been applied to push for a quick preliminary Conference while they were available.

The correspondence between Secretary of State Hughes and the Ambassador at London, Harvey, contains the evidence for the above contention. Once it was clear that the United States was responsible for all arrangements for the conference, Secretary of State Hughes instructed Harvey to ascertain the size of the British delegation:

> Presumably British Government will desire to include Dominion representatives and of course this would be very acceptable to the United States....
>
> We do not desire to attempt to impose restrictions upon representation of other Governments but we consider that the Governments will desire a substantial equality of

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[1] Galbraith, 'The Imperial Conference of 1921', p.150.

[2] J.C. Vinson, 'The Problem of Australian Representation at the Washington Conference for the Limitation of Naval Armaments', Australian Journal of Politics and History, vol. IV, no.iii, November, 1969, p.160.

> representation and with this in view it would be desirable to limit each commission to five or six. We assume that in the case of the British Government six would give full opportunity for Dominion representation, which the United States does not desire to make difficult.[1]

Harvey replied that Curzon suggested that membership of each country should be limited to two, together with their technical advisers. He then summarized in detail the conclusions of the interview with Curzon on representation:

> Although Curzon did not positively say so I gather that he expects that Lloyd George and himself will thus represent the British Empire, depending upon status of Irish situation at the time. The question of representation of the Dominions did not arise. They consider that a family affair and feel quite competent and authorized to speak for the whole Empire. Whether they should have representatives of the Dominions among their advisers they would regard, as I have been made from time to time aware of their attitude, as a question for their own arrangement. In fact they are so sensitive upon this point that I feel sure Curzon would have been disposed to resent a suggestion from me along this line. Consequently I considered it inadvisable to raise the point. I did, however, present your tentative suggestion of five to six delegates to avoid possibility of future criticism from Dominions that might be based upon assumption that they were barred out of adequate participation through any plan or act of yours. Confidentially I feel satisfied that Curzon and Lloyd George do not care to have Dominions directly represented by their own delegates upon same plane of authority as themselves. I also feel convinced that neither Premier Massey nor Premier Hughes, both of whom will probably be unable to attend, desires to have anyone but himself appear as having authority to speak for his Government[2].

Whatever Secretary of State Hughes's personal view of the issues was, he certainly had an eye to public opinion. He issued further instructions:

> It is considered important, however, that idea should not get abroad that we have limited size of delegation and thus made impracticable Dominions' representation.

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[1] Secretary of State to the Ambassador in Great Britain, Harvey, 23 August, 1921; U.S. Foreign Relations, 1921, vol.I, p.60.

[2] Harvey to Secretary of State, 26 August, 1921, Ibid., p.64.

> Our willingness to have larger delegations should accordingly be apparent.[1]

Harvey responded some days later :

> I made it very clear that five or six would be acceptable to you. Curzon thus had full opportunity, if he desired, to provide for Dominion representation. I do not see how your position on that point could be safeguarded more thoroughly. Briefly I see no reason why you cannot proceed as per your 511 with British Government's assured acquiescence.[2]

At this stage it appeared that the Dominions would not be represented in any capacity. However towards the end of the month Geddes personally informed Secretary of State Hughes that Lloyd George would not be able to attend the Conference owing to domestic circumstances in Great Britain - a reference to the Irish situation. Moreover, Geddes was instructed to suggest that the British now would prefer a delegation of some five or six so that the Dominions could be represented. Hughes explained the circumstances that led to the agreement to limit the size but he was more than willing to accept as large a delegation as the British wished to send. Indeed he was 'particularly glad to know that the Dominions would be represented' after all.[3]

Vinson has stated that he believes that Lloyd George worked quietly in the background to ensure some form of Dominion representation. Once the preliminary Conference fell through and with it a Conference that included Hughes, Massey, and Meighen, the fate of Dominion representation was in the hands of Curzon whom we have seen utterly opposed such representation. Vinson alleges that the British Prime Minister Lloyd George, 'without Curzon's knowledge' offered to make room for the Dominions on the British delegation'.[1] Certainly there is documentary proof that demonstrates that the British were up in the air over the whole issue. Knowing that Hughes was unavailable, Curzon suggested that Lord Novar might very well represent Australia and New Zealand. Lloyd George instructed his secretary to suggest to Curzon that he should sound out Hughes on the matter before approaching Lord Novar himself.[2] At the end of the month Curzon was still wrestling with the problem of membership of the British delegation:

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[1] Secretary of State to Harvey, 29 August, 1921, Ibid., p.65.

[2] Harvey to Secretary of State, 2 September, 1921, Ibid., '511' referred to Hughes's communication on 29 August; see above. On this basis British and American representation would have been four each.

[3] 'Memorandum by the Secretary of State of a Conversation with the British Ambassador *(Geddes)*', 20 September, 1921; U.S. Foreign Relations, 1921, vol.I, pp.71-2. In the end there were four British and three Dominion Representatives.

> An idea has occurred to me about our reps. at Washington. Doubtful as we are about the result and certain as we may well be that if the Conf. is a failure or leads to little the entire blame will be thrown on the shoulders of H.M.G., would it not be well to take a leaf from Harding's book and invite a member of the Opposition to serve as one of the British Delegation.[3]

Meighen of Canada also was anxious over the question of Dominion representation. Lloyd George informed him that it had been 'arranged'at the Imperial Conference that the British Government should 'represent the whole Empire at Washington'. Meighen immediately disclaimed any knowledge of such an arrangement and nominated Borden to represent Canada.[4]

The Australian Prime Minister continued to record his protests, this time inveighing against the United States for

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[1] Vinson, 'Problem of Australian Representation at Washington Conference,' p.163.

[2] Sir Eric Gregg for the Prime Minister to Private Secretary of the Foreign Secretary, 14 September, 1921; Lloyd George Papers, House of Lords Record Office, MS F/13/2/45.

[3] Curzon to Prime Minister, 28 September, 1921; Ibid., MS F/13/2/50. He suggested one of Crewe, Maclean, Haldane or Seely.

[4] Duncan Hall cites the exchange of telegrams in Commonwealth, pp.461-2.

'slamming the door' on Dominion representation in another statement in The Times.[1] Only days before, Lloyd George had urged Hughes to represent Australia and New Zealand, as the standpoint of both Dominions on Pacific affairs was identical. Failing this, Lloyd George, actually taking up Curzon's suggestion, proposed Lord Novar as Australia's representative in view of his 'long experience in Australia'. While the British Prime Minister preferred Hughes's presence he pointed out that any representative nominated by Hughes would be welcome.[2] Months ago Keith Murdoch, writing from the United States, had urged Hughes to make sure that he made the trip to Washington.[3] As it was, Hughes informed Lloyd George that Pearce, the Defence Minister, would represent Australia on the British Empire Delegation.[4]

It was Smuts who recorded the most trenchant protests despite the fact that South Africa was not directly involved in the Pacific Conference. He informed Lloyd George that he had advised the Dominion Prime Ministers not to attend the Washington Conference unless personally invited by the United States.[5] Hughes took exception to Smuts's request and advised Lloyd George to reject Smuts's proposal:

> ...I heartily approve your doing anything that will enable the voice of the Commonwealth of Australia to be heard at Conference and to enable her to have that influence that her circumstances in the Pacific render so necessary.....I venture to remind you that General Smuts's concept of Empire and mine

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[1] The Times, London, 8 October, 1921; cited by Duncan Hall, Commonwealth, p.934.

[2] Colonial Secretary to Governor-General, enclosing Lloyd-George's message to Hughes, 3 October, 1921; Lloyd George Papers, House of Lords Record Office, MS F/10/1/2.

[3] Keith Murdoch to Hughes, 23 July, 1921; Murdoch Papers, N.L.A., MS 2823/33.

[4] Prime Minister to Australia to Lloyd George, 7 October, 1921; Lloyd George Papers, House of Lrods Record Office, MS F/10/1/9.

[5] Governor-General, South Africa, to Colonial Secretary, enclosing message from Smuts to Lloyd George, 19 October, 1921; Lloyd George Papers, House of Lords Record Office, MS F/10/1/17. Duncan Hall, Commonwealth, pp.461-3 details Smuts's correspondence on this issue.

> do not coincide. Our origin and circumstances explain this sufficiently...You may take it that among the Dominions there is not a majority in favour of the views of General Smuts.[1]

Hughes no less than Smuts was anxious to preserve the position that had been secured by the Treaty of Versailles. The day before he had specifically requested of the Prime Minister whether the Dominions possessed the same powers at this conference as they had possessed at Paris:

> Would be glad to learn whether it is proposed to give any document in the nature of a full power to the Dominion delegates at the Washington Conference and if so the form of the power in order that the Commonwealth may be in a position to follow the procedure adopted in connection with the Peace Conference of moving His Majesty to issue the power.[2]

In the event, the Dominions did not enjoy the same status as at Paris even though they signed the Treaties in the same manner. However, Lloyd George pointed out to the South Africans, that the Dominion delegates were not panel members of a British team but were a British Empire Delegation. All were armed with 'full powers' conferred by the King on the advice of the dominion Governments.[3] The United States and the other powers did in fact recognize the status of the Dominions in that the Dominions signed the Treaties in the same way as they had signed the Treaty of Versailles. But there was no doubt that the position accorded at Washington as members of the British Empire Delegation alone was a retrograde step. Hughes as Australia's Prime Minister had recognized this.

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[1] Governor-General to Colonial Secretary, enclosing message from Hughes to Lloyd George, 25 October, 1921; Lloyd George Papers, House of Lords Record Office, MS F/10/1/24 and F.O. 371/8107.

[2] Governor-General to Colonial Secretary, 24 October, 1921, Lloyd George Papers, House of Lords Record Office, MS F/10/1/21.

[3] Cited by Duncan Hall, Commonwealth, pp.462-3. Smuts nominated Balfour to represent South Africa; thus Balfour signed twice.

There was however, no doubt also that Australia would be represented. Once Hughes read out the cables of invitation in the Parliament and the Cabinet's decision to send Pearce the debate revolved around his suitability. Indeed Mr. Moloney from the Opposition Labour benches quipped that to send a Defence Minister to a disarmament conference was like sending a publican to a prohibitionist convention.[1]

The Labour Opposition believed that Hughes himself ought to represent Australia. Hughes had made it clear that at this stage and with the prospect of an extremely lengthy absence it would be impossible for him to leave Australia once again. In the end the House of Representatives endorsed Hughes's motion that Senator Pearce should represent Australia. The Argus applauded the decision to send an Australian delegate. There was, it observed, no reason 'to stand aloof altogether on account of wounded dignity or any other cause' in view of the importance of the Conference.[2] Early in December when the conference was in the midst of its deliberations the Australian Prime Minister forwarded a resolution from the Senate to the Colonial Secretary, requesting that it be communicated to the United States. The resolution summed up opinion on the whole issue of the conference from the Australian viewpoint:

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[1] C.P.D., vol. XVCII, p.11741, 6 October, 1921. This was to be a most abstemious conference for the Colonial Secretary informed the Governor-General that there would be no liquor taken for the British Empire Delegation for use in official entertainments in view of the liquor restrictions in the United States. Members would be free to make their own arrangements for the taking of liquor. Indeed, Colonel Repington observed that the French delegates were most upset by the Prohibition laws: 'I think it makes them regard life and America with more gloomy sentiments than if the flowing bowl circulated'. See Colonial Secretary to Lloyd George, 26 October, 1921; Lloyd George Papers, House of Lords Record Office, MS F/10/1/28, and Diary, 3 November, 1921; Colonel A. a Repington, After the War, (London, 1922).

[2] The Argus. 7 October, 1921.

> That while observing that representation at the Conference as a deliberative entity has not been accorded to the Australian Commonwealth, the Senate declared its keen and full consciousness of the fact that the interests of Australia in the questions to be discussed at the Conference particularly those affecting lands sought of the Equator, and not inferior in degree and importance to those of any nation which will be represented by a special delegation.[1]

Accompanying Pearce to Washington was E.L. Piesse, as a special adviser on Pacific affairs.[2] Piesse prepared a number of memoranda for the conference for Pearce's use and in his extremely thorough manner kept a diary of the negotiations which led up to the 'Quadruple Pacific Treaty'.[3]

The Washington Conference extended from 12 November, 1921, to 5 February, 1922 close to three months. Pearce as a member of the British Empire Delegation actively participated in the deliberations of the delegation which met regularly to settle its policy on issues as they arose. Pearce as a colleague and close associate of the Australian Prime Minister kept in contact with Hughes on the progress of negotiations. Hughes knew therefore that he could rely on his comrade of long standing. Australia's needs and interests as the Prime Minister viewed them would be faithfully and worthily represented by its Defence Minister. Hankey, the secretary of the whole delegation, observed in his first private report to Lloyd George just before the opening session, that Pearce was 'not likely to contribute very much wisdom'.[1] This stolid aspect of Pearce was also noted by an American journalist who painted cameos of the participants:

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[1] Governor-General of Australia to Colonial Secretary, incorporating a message from the Prime Minister, 2 December, 1921; Lloyd George Papers, House of Lords Record Office, MS F/10/1/51.

[2] Assisting Pearce as Secretary was G.S. Knowles from the Attorney-General's Department where he had been chief clerk under Garran. Pearce's private Secretary was H.R. Reid, son of the late Sir George Reid, who had been High Commissioner in London.

[3] 'The Quadruple Pacific Treaty: A Diary of the Negotiations', 13 December, 1921; Piesse Papers, C.A.O., CRS A2219, vol. XXVI.

> He is vox populi, old subscriber, pro bono publico, everyman, the man in the street, constant *(roadster)*. He is, why, bless his senatorial and Australian heart, he is commonplace. You can love a man like this.
>
> You will observe from these details that this man Pearce has not a single accepted requisite for classification as a statesman...Well, he's a carpenter and joiner... and carpenters and joiners the world over are the ultimate in democrats.[2]

Yet Repington who was a keen and astute correspondent noted in his diary that Balfour who was given all the credit for the results achieved at the conference listed Pearce along with Geddes, Lee and Borden, as the ones who deserved much of the praise for any success achieved by the British team.[3]

Balfour undoubtedly was the outstanding leader and spokesman of the British Empire Delegation. This was universally recognized.[4] Originally Balfour had not wanted to come to Washington. He had suggested to Curzon that Bonar Law would be much more suitable. However, if Lloyd George really wanted him to head the British Delegation he was ready to serve but as he concluded; 'I know nothing about what is going on in this matter'.[1] On board the 'Empress of Venice' in November, Balfour pondered over the problems facing him. He prepared a memorandum on the policy he proposed to adopt and drafted out a treaty to replace the Anglo-Japanese Alliance:

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[1] Hankey to Lloyd George, 11 November, 1921, Lloyd George Papers, F/62/1/1., cited in Roskill, Man of Secrets, vol.II, p.240.

[2] C.A. Tyler, Arms - and the Men, (Detroit,1922), p.35. This book in fact, was a compilation of Tyler's series of articles in the Detroit News, being 'intimate glimpses of Delegates, Attaches and Unofficial Personages'.

[3] Diary, 4 December, 1921; cited in Repington, After the War, p.469.

[4] Ibid. See also, Riddell, Intimate Diary of the Peace Conference and After, Young, Balfour, and Blanche Dugdale, Arthur James Balfour, First Earl of Balfour, 1902-30, (London, 1963).

> I am disposed to think our Far Eastern arrangements should be embodied as two treaties rather than one. The first of these would deal with the preservation of peace and the maintenance of the territorial status quo; it would be tripartite and would replace the existing Anglo-Japanese Alliance, the second would deal with China.

The critical clause in Balfour's proposed tripartite arrangements envisaged the continuance of the dual alliance provisions of the Anglo-Japanese Alliance:

> If any two...desire to bind themselves and assist each other in defending these rights by force of arms against the attacks by outside Powers they shall be at liberty to do so.

The rest of the draft provided that the high contracting parties would respect, preserve, and protect the existing territorial arrangements in the Pacific and 'the territories bordering thereon.' Further, in cases of disputes with an outside power, it was agreed that there should be full and frank consultation with the other party or parties of the treaty. This Treaty was to supersede any treaty of earlier date dealing with the defence of territorial rights in the stated regions. Balfour had hoped to achieve a number of objects by this stroke. Among them was the object of demonstrating to the Americans that it was possible for the British to retain an Alliance with Japan and at the same time to be able to enter into an arrangement with the United States. He also had planned it so as to 'reassure our Australasian Dominions'.[2] It was an imaginative attempt to to solve the issue. However, as he acknowledged weeks later, when Secretary of State Hughes rejected the proposal: 'T *(Sic)* has failed'.[1]

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[1] Balfour to Curzon, 28 September, 1921, Balfour Papers, B.M. Add. MS 49734, f. 224.

[2] Balfour, 'Draft of a Possible Tripartite Arrangement', 'Empress of Venice', November, 1921; Balfour Papers, B.M. Add MS 49749, ff. 218-224.

Nish points out that both the Americans and the Japanese rejected it. The Secretary of State was still adamant that the United States would not agree to any arrangement that smacked of an alliance. The Japanese refused to consider it because by now they knew it was useless to pursue this line. Thus the 'Shidehara draft' submitted by the Japanese became the basis of the Quadruple Treaty.[2] This 'Four-Power Pacific Treaty' was signed on 13 December, 1921 and was to last for ten years; after this it could continue until terminated by any of the Powers giving twelve month's notice. Pearce in his Report summed up the main provisions:

> Article 1. provides for each Power respecting the rights of the others to their insular possessions and insular dominions in the region of the Pacific Ocean, and for a joint conference in the event of a controversy arising.
>
> Article II. provides for frank communication between the Powers in the event of the rights of any one of them being threatened by the aggressive action of any other Power.
>
> Article III. provides that the Treaty is to remain in force for ten years, and to continue thereafter until terminated on twelve months' notice.
>
> Article IV. provides for the method of ratification, and that on such ratification the Anglo-Japanese Alliance shall come to an end.[3]

The Treaty covered 'the insular possessions and insular dominions' of the British Empire, the United States, Japan, and France. As we shall see shortly, this definition was to create difficulties.

Pearce had kept in regular contact with Prime Minister Hughes during the weeks of negotiations. On 18 November, for example, some days after the opening of the conference Pearce informed Hughes that it was apparent already that the Japanese had accepted the inevitability of the termination of the Alliance. The Japanese realized, he expanded, that their policy in China was universally unpopular. On top of this they feared isolation and a possible financial and commercial boycott by the Americans as a result of their policies.[1] By the end of the month he reported that negotiations were proceeding satisfactorily on the 'tripartite agreement' and the following week Hughes was notified that now France had been drawn in by Secretary of State Hughes.[2] On 8 December Pearce cabled to the Prime Minister that the British Delegation had thrashed out the terms of the treaty which included 'Australia and New Zealand their Islands and Mandated Territories' in its provisions.[3] The following day Hughes informed Pearce that he was authorized to sign on behalf of Australia.[4] It would be remiss not to refer to the climatic address given by Balfour to the conference on the tenth when the draft treaty was presented to the meeting. For Balfour it was something of a milestone. As he explained to the delegates, the existence of the Anglo-Japanese Alliance was the 'cause of much searching of heart, of some suspicions, of a good deal of animadversion in important sections of opinion in the United States'. A state of 'international tension did arise in the Pacific area' for a time but this he affirmed, had passed. As well the 'practical objects' for which the Alliance was brought into being no longer existed. The Alliance had served its purpose in two great wars. It had 'stood the strain of common sacrifices, common anxieties, common efforts, common triumphs'. It was clear to observers that Balfour was visibly affected by his own exegesis and emotional commitment to the Alliance.[1] He was genuinely attached to it and there was good reason for this:

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[1] Ibid.

[2] Nish, 'Japan and the Ending of the Anglo-Japanese Alliance', in K. Bourne, and D.C. Watt, Studies in International History, (Connecticut, 1967), pp.381-2. See also Duncan Hall, Commonwealth, pp.465-6. France was the fourth party to the treaty.

[3] '"The Quadruple Treaty Relating to the Pacific", Report of the Australian Delegate', 1 June, 1922.

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[1] Pearce to Hughes, 18 November, 1921; Hughes Papers, N.L.A., MS 1538.

[2] Pearce to Hughes, 30 November, and 5 December, 1921; C.A.O., CRS A981, item Disarmament I, pt.II.

[3] *Ibid.*, 8 December, 1921.

[4] Hughes to Pearce, 9 December, 1921; *Ibid*.

> It so happens I was at the head of the British Administration which twenty years ago brought the first Anglo-Japanese Alliance into existence..I was at the head of the British Administration which brought into existence the entente between the British Empire and France. And through all my life I have been a constant ardent, and persistent advocate of intimate and friendly relations between the two great branches of the English speaking race. You may well conceive therefore how deep is my satisfaction when I see all these four powers putting their signature to a treaty which I believe for all time would ensure perfect harmony and co-operation between them in the great region which the Treaty deals.[2]

On 13 December when Article IV was read out, the clause which embodied the termination of the Alliance, Putnam Weale noted that Balfour's 'head fell forward on his chest'. As he also concluded 'the Conference was a Canossa for Britain and a Sedan for Japan'.[3] There is little wonder therefore that Balfour had no wish to go to Washington.

One of the most important areas which concerned Australia on which Pearce kept a close watch was the question of fortifications and naval bases. It was debated in the British Empire Delegation.[4] At the meeting on 9 January, Balfour informed the Delegates that

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[1] See Putnam Weale, An Indiscreet Chronicle From the Pacific, (London, 1928). This was the pseudonym of Bertram Lennox Simpson of the Political Section of the Office of the President of China. The book originally was published at New York in 1922. Roger Louis in British Strategy in the Far East, 1919-1939, p.108, cited Curzon who referred to him as a man 'of doubtful character and antecedents. He is on a sort of roving commission with a very handsome salary paid by the Chinese Government'; Imperial Conference, Stenographic Notes, E8, 28 June, 1921, CAB 32/2.

[2] Balfour, Speech, Minutes of the Plenary Session, Saturday, 10 December, 1921, Conference on the Limitation of Armament, Washington, November, 12, 1921-February 6, 1922', (Washington, 1922), pp.170-74.

[3] Putnam Weale, Indiscreet Chronicle, p.133.

[4] The following is based on CAB 29/28 being the minutes of the meetings of the B.E.D., at Washington. CAB 30/11 contain the minutes of the meetings of Heads of Delegations where Balfour fought the real battles on behalf of the Empire.

Pearce had written a memorandum on the subject. Evidently Pearce had stated that Article XIX of the Limitation Treaty which preserved the status quo on fortifications in the Pacific would include New Guinea. He informed the Meeting that if this were so there would be 'great anxiety' in Australia and he would need to refer the matter to Hughes for further instructions. Balfour expressed genuine surprise which is quite understandable seeing that the 'C' class Mandates were specifically excluded from erecting such fortifications. Balfour explained that the Naval agreement wrung out in the previous weeks depended, in American and Japanese eyes, on acceptance of the status quo on this matter. Elaborating the point Balfour stated that the only base suggested at the 'meetings of the C.I.D. or elsewhere' which was essential for defence in the region was Singapore. It had been brought to Balfour's attention by Pearce that the Jellicoe Report specifically advised the development of a base in New Guinea waters. Nevertheless Pearce expressed regret that he was apparently under a misapprehension, but he had never thought that Islands 'adjacent' to Australia would be subject to a non-fortification stipulation.

The next day it was Kato the Japanese Delegate who raised the subject at a Meeting of the Heads of Delegations.[1] Japan originally had wanted to specify the islands which should be included in a non-fortification arrangement. However, Tokyo had informed Kato that it had dropped this notion. Secretary of State Hughes was agreeable to including Guam and Manilla in the terms of the Article but under no circumstances would be countenance Hawaii. Further, because of Hong Kong's proximity to Japan it was apparent the British Empire should be included in any agreement.

It was obvious, Balfour explained to the British Empire Delegation the next day, that the Japanese, faced with the possibility of bases being erected on the Canadian and Californian Pacific coast as well as Hawaii also wished to exclude the Bonin, Oshima, and Pescadores Islands which they maintained were part of the 'insular possessions' of Japan. Balfour pointed out the importance of this principle for the Australasians. As the above islands were adjacent to Japan there also would be no reason why islands adjacent to and controlled by Australia and New Zealand should be included in the non-fortifications stipulation. Balfour finally informed the delegates that Secretary of State Hughes's solution to the dilemma was to suggest a specific area in the Pacific with given latitudes and longitudes within which no fortifications should be erected. The southern boundary was the equator. The longitudes were to be just west of both Hawaii and Hong Kong. Thus it would exclude Hawaii but include Hong Kong. Pearce thought the mapping formula might not be accepted and also considered Balfour's definition, using 'adjacent', was vague. he proposed that 'unmandated islands under the administration of Australia and New Zealand' should be excluded from any non-fortification stipulation.[1]

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[1] Heads of Delegation Meeting, 10 January, 1922; CAB 30/11.

Pearce informed Hughes of the case he had put to Balfour:

> Japan has asked that it should extend to all insular possessions of Treaty Powers in Pacific, other than Australia and New Zealand. I have urged that it should only apply insular possessions north of equator, or, alternatively, that non-mandate islands and territory south of the equator under Australian administration be excluded.
>
> British delegates were inclined accept Japanese proposal but have agreed to back my alternative proposition. America demanded and obtained exclusion Hawaii and favour further limitation in area.
>
> Matter still undecided, but I understand that Japan now prepared to accept my alternative.[2]

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[1] B.E.D., 11 January, 1922; CAB 29/28/69.

[2] Pearce to Hughes, 12 January, 1922; C.A.O., CRS A981, item Disarmament I, pt.II.

The debate now moved to the 'Heads of Delegation Meetings' and it was some weeks before the matter was resolved. Pearce regularly informed Hughes of progress and of how Balfour was fighting on behalf of the Pacific Dominions on the issue. On 25 January Pearce cabled Hughes the essence of the Article:

> United States, British Empire and Japan agree that status quo with regard to fortifications and naval bases shall be maintained in their respective territories specified as under:-
>
> 1. The insular possessions of United States in Pacific Ocean now possessed or hereafter acquired except (a) those adjacent to coast of United States, including Alaska and the Panama Canal zone, and (b) the Hawaiian Islands.
>
> 2. Hong Kong and the insular possessions of British Empire situated in Pacific Ocean and east of meridian of 110 degrees east longitude now possessed or hereafter acquired, except (a) those adjacent to coast of Canada, (b) the Commonwealth of Australia and its territories, and (c) Dominion of New Zealand.
>
> 3. Following insular possessions of Japan in Pacific Ocean, to wit, Okinawa Oshima, Amami Oshima, Bonin Islands, Formosa, and the Pescadores, and any insular possessions in Pacific Ocean which Japan may hereafter acquire.[1]

Singapore was not even mentioned. The meridian of 110° had been carefully chosen. Britain could not fortify possessions east of this meridian which meant Hong Kong was included in the terms of the Article. However Singapore which was west of the meridian was excluded from its terms. Pearce had been careful to advise Balfour on the question who in any case carried instructions with him to preserve it as a naval base.[2]

The above Article on fortifications was part of the Treaty for Limitation of Naval Armament. Japan accepted the cutback in naval construction on the understanding that there would be limits also to the construction of naval bases. Again, Pearce kept in contact with Hughes on this subject. Pearce differed from the British Government on the matter. Beatty had argued that the proposal by Secretary of State Hughes favoured the United States while the advice of Lloyd George was that it was better to submit to this and secure the ten year naval holiday. Pearce supported Beatty in his attempts to modify the American proposal. Hughes urged Pearce to back up Beatty, once the position was explained to him.[1] However, in the end Balfour had to accept the initial American proposal in regard to the relative sizes of the navies in order to gain the ten year holiday in the construction of capital ships.[2]

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[1] Ibid., 25 January, 1922.

[2] Duncan Hall, Commonwealth, p.467. He also cites Secretary of State Hughes's comment to Balfour on the subject: 'Of course Singapore was excluded as it is neither an island nor in the Pacific'. See also Braisted, 'The Nonfortification Squall', The United States Navy in the Pacific, pp.636-47.

There was yet another subject which affected the Australian Prime Minister's policies. This was the question of the mandated Territories including the vexed problem of the island of Yap. At the British Empire Delegation meeting on the seventh of December, days before the signature of the Quadruple Treaty, Pearce enquired whether the prospective treaty affected the mandated Territories in the Pacific. He was informed that the United States, having had commercial agreements before the War with respect to the Islands north of the Equator wished to preserve them. As Pearce pointed out, what had raised the issue was the exclusion of American and Australian shipping from these Islands now under Japanese control.[3] The next day at a conversation between Balfour and Secretary of State Hughes it transpired that the Americans also wished to settle the question of the rights of Americans in the isalnds south of the equator under Australian control, the Americans not possessing any pre-war agreements with respect to those islands. Hughes argued that there should be no exclusive exploitation by the Mandatory of natural resources.[1] Nauru particularly was specified by the Americans. Pearce was informed immediately of the nature of the conversation. He immediately sought advice from Prime Minister Hughes:

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[1] Pearce to Hughes, 18 November, 1921, Hughes Papers, N.L.A., MS 1538; Pearce to Hughes, especially, 5 and 29 December, 1921; C.A.O., CRS A981, Disarmament I. See also CAB 29/28 for Minutes of Meetings of the B.E.D.

[2] Roskill, Naval Policy Between the Wars, pp.300-330 and his Hankey: Man of Secrets, vol.II, pp.238-56. See also Duncan Hall, Commonwealth, p.465.

[3] B.E.D., 7 December, 1921; CAB 29/28/58.

> United States notified British Empire Delegation she proposes to make reservation *(Sic)* of Treaty does not affect United States' rights in mandated territories. I understand only question they are likely to raise that affects us is that of the monopoly in Nauru.

Before a reply could reach him Pearce having gained further information told his Prime Minister that the United States did not want an immediate settlement but certainly wished to make it clear that the signature of the Quadruple Treaty in no way affected their claim to rights in regard to the mandated Territories. Balfour, he explained, had accepted this view. It was proposed to give effect to this by an exchange of notes between the two Governments. Prime Minister Hughes advised Pearce to accept Balfour's lead. He explained his reading of the problem:

> We do not admit for a moment that United States America has any rights in the "C" Mandated Territoreis other than those enjoyed by, say, Italy. Wilson agreed to "C" mandates in general and to Nauru in particular. There is no discrimination against United States America. As a fact, Britain is treated in all our "C" Mandated Territory exactly same as United States America or any other of the Allied Powers.[3]

The next day Pearce informed Hughes that the Americans had reached agreement with the Japanese over the islands in the north Pacific and that the following reservation had been agreed to by the signatories to the Quadruple Treaty:

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[1] 'Note of a Conversation between Mr. Balfour and Mr. Hughes on Thursday, December 8, 1921, at 4.00pm'; C.A.O., CRS A981, item, Mandates 6.

[2] Pearce to Hughes, 8 December, 1921; Ibid.

[3] Hughes to Pearce, 12 December, 1921; Ibid.

> That the Treaty shall apply to the Mandated Islands in the Pacific Ocean, but making of the Treaty shall not be deemed to be an assent on the part of United States to the Mandates, and shall not preclude agreements between United States and the Mandatory Powers in relation to the Mandated Island; and
>
> that the controversies referred to in Article 1, do not embrace questions which according to principles of international law, lie exclusively within the domes jurisdiction of the respective Powers.[1]

The Annex to the Treaty was more precise:

> I wish to place on record the understanding of the United States Government that the conclusion of the agreement of today's date between the United States of America, the British Empire, France and Japan does not prejudice in any way the matters in relation to the ex-German islands south of the Equator which are at present the subject of discussion between our Governments, and that the said matters may continue to be discussed with a view to a satisfactory adjustment in precisely the same conditions as before the signature of the agreement referred to.[2]

Late in January at a Meeting of the committee on 'Pacific and Far Eastern Questions', Secretary of State Hughes informed the meeting that so far as the islands south of the equator was concerned, as discussions were progressing there was no need to bring the matter before the conference. It is helpful to note as Piesse did, that some weeks earlier, the British Government informed the American Government that with respect to its mandated Territories in Africa, the British were prepared to amend the mandate provision with regard to monopoly rights to resources in the Territories. No 'concessions having the character of a general monopoly' would be granted but the Government still reserved the right of the Mandatory, to create monopolies of a 'fiscal character' and to carry out the development of natural resources either directly by the State or by a controlled agency, provided that no monopoly of the natural resources for the benefit of the Mandatory would result.[1]

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[1] Pearce to Hughes, 13 December, 1921; Ibid.

[2] 'Annex', to Quadruple Treaty, Ibid. We should note that at the same time an Agreement was also signed with regard to the Island of Yap and its important communication cables; see Braisted, The United States Navy in the Pacific, pp.527-34 for the American version of this dispute and Roskill, Hankey: Man of Secrets, vol.II, pp.238-56 for the British Case. See U.S. Foreign Relations, 1921, vol.II, p.263-305 for the cables and correspondence.

As one reviewed the conference from the viewpoint of the Empire, it is impossible not to be impressed by the contemporary expressions of confidence in the results and achievements of the conference. It may well have been simply a case of the delegates playing the role of supreme optimists in their own decision-making or whistling in the dark. Thus Pearce declared just after the signature of the Quadruple Treaty that it was 'a magnificent achievement'.[2] Towards the end of the conference he had already hailed its work as being 'beyond the wildest anticipations of the most hopeful'.[3] He believed that there was now 'no human probability of war in the Pacific for ten years'.[4]

When the treaties were debated in the Australian Parliament in July, Hughes and Pearce, now minister for Home and Territories, led the discussions. Pearce claimed that there was no 'better guarantee for the peace of the world than a friendly understanding, full and complete, between two great English-speaking Empires of the world'. Though there had been suspicion and even hostility between these two great Powers at the beginning of the Conference, by the conclusion all fears and mistrust had been dispelled. It was safe to say today that 'no nation stood higher in the estimation of the United States' than the British Empire. As far as Japan was concerned, Pearce, well-known as the most trenchant of Japanophobes re-assured the Australian Parliament on this score. He argued that Japan feared the fate of the Germans and isolation: 'It is a great source of satisfaction for us in Australia to know that this powerful neighbour should desire to turn away from military aggression and a policy of force and tread the path of peace'.[1]

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[1] Piesse, 'The United States and Economic and other Rights in Mandated Territories', 22 May, 1922; C.A.O., CRS A981, item, Mandates 6.

[2] The Argus, 12 December, 1921.

[3] S.M.H., 8, February, 1922.

[4] Massey Greene, *(Defence Minister)* to Hughes, 4 April, 1922, reporting Pearce's remarks; Hughes Papers, N.L.A., MS 1538.

Hughes also had expressed, prior to the Parliamentary debate, his confidence in the results of the conference. However, when it came to the Parliamentary debate he was careful to note that the treaties did not guarantee Australia material help if attacked. Nevertheless he maintained that there was 'nothing done at any conference or by any treaty, which means so much to us in Australia as that done in Washington, and embodied in this Quadruple Treaty'. Further, the same treaty 'cleared away all these difficulties that made for war in the Pacific' so that 'as far as human achievement can achieve such things', the treaty had 'given us for, at any rate, ten years, an assurance of Peace'. The Five Power Treaty Hughes avowed, 'puts an end, for ever, to naval rivalry.'[2]

There was then a curious blend of remarks intended to inspire confidence along with the caution that was far more characteristic of the Australian Prime Minister. Even Eggleston, a severe critic of Hughes over the years and a specialist on Far Eastern affairs, was ambivalent over the significance of the conference. He argued that Australia's situation was grim 'unless the United States can be relied upon to pull her weight in the same direction as Britain'. At the same time he hailed the Quadruple Treaty as it involved the United States in the Pacific a policy he had been advocating for years.[1] Hughes too had hoped for the American involvement but his doubts concerning the role of the United States had been confirmed over her erratic behaviour since Paris in 1919. Thus he placed his faith in the Empire but even here just months after his remarks on the Washington Conference his faith in Empire was to be sorely tested over the Chanak affair.

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[1] Pearce, C.P.D., volXCIX, 27 July, 1922, pp.822-3.

[2] Hughes, C.P.D., vol.XCIX, 26 July, 1921, p.789-90.

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[1] Eggleston, 'Washington and After: An Australian View', Nineteenth Century, vol.XCII, no. DXLVII, (September, 1922), pp.463-5.

IV Chanak and Lausanne: The Last Post.

At the Washington Conference, Balfour, the elder statesman of the Empire, was the spokesman for the Dominions. He was the embodiment of that common Imperial policy based on full discussion and consultation for which Hughes had laboured since assuming the reins of Government. However, just some months afterwards, the crisis at Chanak and the subsequent Lausanne Conference raised the gravest of doubts as to whether anything but the 'rhetoric of Empire' had changed since August 1914 when Britain declared war without any consultations with the Dominions.

At the Imperial Conference in June the Prime Ministers had discussed the potentially explosive situation in Asia Minor where the Greeks were locked in battle with the Turks. For the Greeks it was the quest for 'magna Graecia';[1] for the Turks it was a struggle for survival. In the course of Hughes's remarks on the subject he adopted a pro-Turkish stance evincing a decidely antipathetic view to King Constantine's 'ambitious projects'. Just over twelve months after these remarks the Near East crisis which arose suddenly witnessed the Empire again on the verge of being involved in war without prior consultation. A brief resume of the events which led up to the crisis is in order so as to provide the setting for Hughes's last sally as Prime Minister in the field of external relations. For him it was the 'last post' and was a fitting finale epitomising all that he had stood for through-out his record breaking term of offce.

The Treaty of Sèvres which formally concluded Turkey's involvement in the War was extremely harsh. At various times during the War in order to secure or retain the support of

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[1] See Michael Llewellyn Smith, Ionian Vision: Greece in Asia Minor, (London, 1973).

Russia, Italy, and Greece, large chunks of the Ottoman Empire were promised to these Powers.[1] On top of this it would appear that the Greek Prime Minister Eleutherios Venizelos was able to convince Lloyd George, already a pronounced philhellene, of the justice of their claims in Greek occupied Anatolia. D'Abernon noted in his Diary in the midst of the crisis in 1922 that the British Prime Minister was dominated by the 'Little Bethel mentality and by old Gladstonian ideas' with respect to Greece's struggle to regain its historic foothold on the Anatolian peninsula. The Moslem Turks were considered to be 'nothing but barbarians'.[2] Venizelos's undoubted charm and sagacity was just as successful with the 'Big Four' who fell under his spell. Thus in May 1919 taking advantage of the absence of Orlando, the 'Big Three' sanctioned the occupation of historic Smyrna by the Greeks.

By the Treaty of Sèvres Greece had gained the remaining Aegean Islands and Smyrna. Britain, France, and Italy were each assigned portions of Asia Minor as 'spheres of influence'. The Turks were reduced to a rump around Ankara. Constantinople and the Straits were to be internationalized and her Empire inevitably went the way of the Hapsburg and Hohenzollern possessions.[3] But as Walder points out 'the one form of nationalism' which the Peace Conference neglected to recognize was fanned into a flame by the entry of the Greeks, the mortal opponents of the Turks. Brilliantly led by Mustapha Kemal Pasha, the hero of the Turkish defence of Gallipoli, this incipient Turkish nationalist movement repudiated the Treaty of Sèvres and the old corrupt Government of the Sultan and set up headquarters and their own Government at Ankara. The nationalist revivial proved successful though not before it appeared as though the Greek Army would carry all before it. The Allies, pre-occupied now with the pressing problems of reconstruction, understandably, but unwisely allowed the Greeks to undertake the task of quelling the Kemalists and restoring the Treaty. On the brink of military success, the Greek Army within striking distance of the rebel capital, a surprising last ditch stand by the Turks proved successful in repelling the Greeks. It turned into a counter-offensive which by September 1922 threw back the demoralized Greeks till they turned and fled disgracefully and disastrously to Smyrna. The Greeks have always held that they did not receive the support from the Allies that was their due. What was worse it has been established that the French and Italian Governments were scheming with Kemal who was also using Russian supplied arms and equipment..[1] The Greek Army was literally swept into the sea and Smyrna was put to the torch. The victorious Turks now turned to Constantinople and the Straits. It was this prospect which threatened to mobilise the Empire for a lone British force at Chanak blocked the advance of the Turkish Army.

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[1] See David Walder, The Chanak Affair, (London, 1969), for a fine pro-Turk summary of the background. H. Nicolson, Curzon: the Last Phase, 1919-1925, (London, 1962) discusses the crisis from the view-point of the British Foreign Secretary. The following summary is largely based on these accounts.

[2] D'Abernon, Diary, 25 September, 1922; cited in An Ambassador of Peace, vol.II, Years of Peace, (London, 1929-30), pp.105-6.

[3] See J. Mavrogordato, Modern Greece, pp.124-5 for the specific details.

Thus on 14 September Curzon informed the King of the Government's position:

> "Policy of Government is correctly described as complete evacuation of Asia Minor subject to guarantees for safety of Christians, and as close adherence to the Paris terms of March last as the doubtful loyalty of our Allies will admit, we cannot consent in any case to surrender freedom of Straits, and to throw away whole fruits of victory in war. Cabinet was unanimous on this point, and so apparently is public opinion.[2]

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[1] Ibid., pp.130-31. See also Rene Ristelhueber, Histoire des Peuples Balkaniques, (Paris, 1946), pp.339-41.

[2] Curzon to the King, 14 September, 1922; Curzon Papers, F.O. 800/157/381.

Curzon on the sixteenth poured out his thoughts to Lord Hardinge, the former Head of the Foreign Office and now Ambassador at Paris. He explained that he did not believe Kemal would attack the Straits 'but the French and Italians are so profoundly to be distrusted' that there was always the possibility that their actions would 'afford Kemal an opening' to occupy Constantinople and gain the Straits. Curzon put his faith in a conference at Paris or Venice while Lloyd George, he explained to Hardinge, placed his faith in an anti-Turk 'Balkan League' - a faith he did not share:

> The Prime Minister is convinced that Roumania and Serbia have merely to be approached and flattered, to produce large armies. He also cherishes the familiar but fantastic opinion that the Foreign Office has been grossly culpable in not arranging this already, that our Ministers to those States are incompetent noodles, and that an anti-Turk Balkan Confederation has only to be mentioned to spring into being.[1]

The day before, the British Cabinet met to discuss the confused situation. The debate demonstrated the complexity of the problem. Curzon favoured further diplomatic manoeuvres while Lloyd George and Churchill insisted that the time had come for a show of military strength to halt the Turks and preserve the Straits and Constantinople. Moreover, Lloyd George was anxious to out-manoeuvre President Poincaré of France who had shown his opposition to British policies in the Near East. Austen Chamberlain, the Lord Privy Seal, was cautious while Lord Lee at the Admiralty and Worthington-Evans at the War Office both supported the Prime Minister. The Chief Secretary for Ireland, Sir Hamar Greenwood suggested Australasian support. On this latter point Cabinet resolved that Churchill should draft a telegram for Lloyd George which would then be sent to the Dominions inviting their co-operation.[2]

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[1] Curzon to Hardinge, Paris, 16 September, 1922; Ibid., item 386.

[2] See Walder, The Chanak Affair, pp.209-15 and Nicolson, Curzon, pp.271-2 for detailed accounts of this Cabinet Meeting; CAB 23/31.

The subsequent cable detailed the position in summary form:

> Decision taken by Cabinet today to resist aggression upon Europe by the Turks and to make exertions to prevent Mustapha Kemal driving the Allies out of Constantinople and in particular, and above all, to secure firmly the Gallipoli Peninsula, in order to maintain the freedom of the Straits. We have received a notification from the French Government that they are in agreement with us in informing Mustapha Kemal that he must not violate the neutral zone which protects Constantinople and the Straits, and that their High Commissioner at Constantinople has been instructed accordingly. The Italians also are acting in general concert with us. We hope to secure the military participation of Greece, Roumania, and Serbia in the defence of the deep-water line between Europe and Asia, and we are addressing them accordingly. All the aforesaid Powers are being notified of our intention to make exertions, and that British division is to be placed under orders to reinforce the Allied Commander-in-Chief, Sir Charles Harington. The co-operation of the British Navy will also be forthcoming to the fullest extent necessary. The object of these arrangements is to cover the period which must elapse before it is possible to secure a stable peace with Turkey. Proposals are being made to hold a conference for this purpose, probably at Venice, but possibly at Paris, and the essential point is that we should have sufficient strength to maintain our position round the Straits and in Constantinople until this peace has been achieved. It seems improbable that if a firm front is shown by a large number of Powers acting together, the forces of Mustapha Kemal will attack. His armies, which have so far not had any serious resistance to encounter from the disheartened Greeks, are estimated at between sixty and seventy thousand men. But timely precautions are imperative. Very grave consequences in India and among other Mohammedan populations for which we are responsible might result from a defeat or a humiliating exodus of the Allies from Constantinople.
>
> I should be glad to know whether the Government of the *(Dominion of Canada) (Commonwealth of Australia) (New Zealand) (Union of South Africa)* wish to associate themselves with our action and whether they desire to be represented by a contingent. Not only does the freedom of the Straits for which such immense sacrifices [illegible] made in the War involve vital Imperial and world-wide interests, but we cannot forget that there are 20,000 British and Anzac graves in the Gallipoli Peninsula, and that it would be an abiding source of grief to the Empire if these were to fall into the ruthless hands of the Kemalists.
>
> The announcement of an offer from all or any of the Dominions to send contingents even of moderate size would undoubtedly exercise in itself a most favourable influence on the

> situation, and might conceivably by a potent factor in preventing actual hositilities.

The Cabinet that day had been convened at 4.00pm. It had been rather lengthy but still Churchill was able to send his cable late in the evening.

The New Zealand Government immediately advised the Colonial Secretary of its support.[2] The South Africans a couple of days later informed Churchill that General Smuts was absent, being somewhere in Zululand; no reply could be forwarded.[3] As far as Canada was concerned Mackenzie King,[4] - who had replaced Arthur Meighen, was plainly upset. His first indication of trouble involving Canada in the Near East was a newspaper article:

> Before communication could be sent to myself or other members of the Government of Canada of the contents of your cable sent through Governor General despatches from England appeared in our press announcing the British Government's invitation to Canada to participate in resisting Turkish Forces by despatch of troops. This has caused a most embarrassing situation and Press respresentatives are enquiring of me if any, and if so what, communication has been received from the British Government.

There was then, no offer of support. Further, as Parliament was in recess he could not do much, for on this matter he believed that Parliament would expect to be consulted. If the subject was sufficiently urgent he would not hesitate

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1. Lloyd George to the Dominion Prime Ministers, incorporated in a cable from the Colonial Secretary to Governors-General, 11.30pm, 15 September, 1922; C.O. 886/10/304, and also CAB 24/138/483.

[2] Jellicoe, Governor-General of New Zealand, to Colonial Secretary, 16 September, 1922; CAB 24/138/485.

[3] Governor-General of South Africa to Colonial Secretary, 18 September, 1922; Ibid., Item 488.

[4] William Lyon Mackenzie King, 1874-1950. Born in Ontario, Canada. Fellow in Political Science, Harvard University, 1897-1900. Editor of the Labour Gazette, Canada, 1900-8. Liberal MP in the Canadian Parliament, 1908-49. Leader of the Liberal Party of Canada, 1919. Leader of the Opposition, 1919-21. Prime Minister of Canada, 1921-6, 1926-30 and 1935-48. Secretary of State for External Affairs, 1935-46. Order of Merit, 1947.

to summon it. Meanwhile he needed detailed information; daily Cabinet sittings had been arranged and he requested permission to publish a statement.[1] Lloyd George replied immediately and a statement suitable for publication was supplied by Churchill. The British Prime Minister regretted the shortness of notice but the crisis arose 'too suddenly'. He hoped Canada could give 'the utmost moral support at this stage.'[2]

The British message reached Hughes on Sunday afternoon, 17 September, while Hughes was at his holiday home at Sassafras. Churchill's statement to the press which appears to have received world wide circulation was also in the newspapers in Australia before the original cable reached Hughes at Sassafras.[3] Hughes was placed in the same embarrassing position as Mackenzie King. His reaction was somewhat different. According to the statement published on the Monday, on receipt of Lloyd George's message he telephoned as many of the Cabinet as he could to ascertain their views. In an extremely brief statement he made it clear that the Australian Government intended to 'associate' itself with the British Government in the defence of the 'freedom of the Straits, and the sanctity of the Gallipoli Peninsula'. If the 'circumstances required' Australian troops would be dispatched. A grateful Lloyd George signalled his warm thanks at his prompt response,[5] however unofficial. Indeed the Governor-General was informed by his own secretary, J.H. Starling, that although he had been led to believe by the Prime Minister's Department that an official reply would be ready for despatch none had been forthcoming.[1]

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[1] Mackenzie King to Lloyd George, incorporated in cable from Governor-General Byng to Colonial Secretary, 18 September, 1922; Ibid., item 489.

[2] Ibid., a second cable on 18 September and another on the nineteenth, item 490; Churchill to Governor-General Canada, 18 September, Ibid.

[3] See P.M. Sales, 'W.M. Hughes and the Chanak Crisis of 1922', Australian Journal of Politics and History, vol.XVII, no.3, December, 1971, p.394. See M.G. Foster, 'Chanak Rocks the Empire: The Anger of "Billy" Hughes', Round Table, no.230, April, 1968.

[4] The Argus, 18 September, 1922, p.7 cited Ibid., p.395; 'Statement by Prime Minister re Turkish Situation', 19 Septemebr, 1922, C.A.O., CP 78/32.

[5] Colonial Secretary to Governor-General, incorporating Lloyd George's message to Hughes, 18 September, 1922; Ibid.

Hughes delayed his official response till Wednesday, 20 September.[2] When one reads the extremely lengthy reply sent that day it is obvious he pondered deeply over the whole affair for he was caught between venting his anger at the lack of consultation and loyalty to the Empire. There appears to be no doubt that the Foreign Office publications which he had received since the Imperial Conference had not led him to expect that the Dominions would be called upon to help settle the Near East crisis. As we have seen at that conference he opposed any encouragement of King Constantine's 'ambitious projects'. Yet the appeals from Lloyd George and Curzon did not neglect to emphasise Gallipoli and the Anzac graves, themes that were certain to call the Australians to the banner of the Empire. Then as a leading proponent of Imperial unity in action he as much as any held that the price of Imperial support when Australia should ask for it, was support of Britain. It seems to me he admirably reconciled all these aspects of the problem. He had given support to the Empire in public, now he would deliver a last blast in private on a theme that had exercised Imperial statesmen for years and which Hughes had believed had been won - Chanak had proved him wrong:

> Your telegram was not received till late in the afternoon on Sunday and after arrival in Australia of Press messages giving substantially same information given to Press by yourself. This in a matter of such grave importance is most unfortunate as it precludes that full and judicial consideration of the position by Commonwealth which is its clear right as a national Government. It is not right that a Dominion should be stampeded into action by premature statements in the Press disclosing a position which, even admitting its gravity, is not set out in detail, and upon which no information had been previously received by the

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[1] J.H.S. to His Excellency, Minute, 19 September, 1922; Ibid.

[2] See Hughes's speech in Parliament on 19 September, 1922.

Commonwealth Government suggesting the probability of the Empire being involved in hostilities. Foreign Office despatches many weeks old relating to Greco-Turkish position have no doubt been received from time to time; but no information has come to hand suggesting that the Empire was likely to be involved in hostilities and no telegrams have been communicated to us bearing upon recent developments in the Near East.

Thus your telegram informing us that the British Cabinet had decided to take prompt action against the Kemalists came as a bolt from the blue. And we have not been told even now by what action of the Kemalists this decision has been necessitated. And as it would appear that the Press was notified before your telegram reached me of the fact that you contemplated hostilities, and that the Dominions were asked to associate themselves with Britain and send contingents, the Commonwealth Government found itself in most embarrassing position of being asked to decide not between peace and war, for Britain had already determined that issue without consultation with the Commonwealth, but whether after Britain had decided to go to war and had notified the Press that she had asked the Dominions whether they wished to join her, it was possible for us in all circumstances to say that we could not do so. The point the Commonwealth Government desires to emphasize most strongly is this, that consultation with the Dominions ought to take place before any action is taken or irrevocable decision is made by Britain, as then and then only can our voices be heard and our counsels heeded. Either the Empire is one and indivisible or it is nothing. If it is only another name for Britain, and the Dominions are to be told that things are done after they have been done, and that Britain has decided upon war, and are often asked whether they wish to be associated with her and to stand by her side, when they have in fact no other alternative, then it is perfectly clear, the relations between the Dominions and Britain being what they are, that all talk about the Dominions having a real share in deciding foreign and Imperial policy is empty air.

I feel that I ought to speak quite frankly and say that the unity of the Empire is gravely imperilled by such action.

The Australian people are sick of war. In their view war, except in defence of vital national interests, is not only a blunder but a crime. While they full recognize the importance of the freedom of the Straits and would be grieved and angry if the sanctity of Anzac graves in Gallipoli were violated, they have no sympathy whatever with King Constantine's ambitious projects. They do not understand why the Dominions were not consulted before Britain took action, and before the situation had developed, and they do not understand why the Allies did not restrain the Greeks long ago from such action as it now appears has led up to the present deplorable situation. That situation is the natural and indeed inevitable result of the policy of action or inaction which the Allies have pursued in regard to Greece and Turkey. Australians have seen war raging for many months, great armies arrayed against one another almost within gunshot of Geneva, and they ask themselves what has the League of Nations that was to bring war to an end been doing to bring about peace. Towards the upkeep of the League Australia has paid and is paying very large sums of money. For a very long time war has been raging at its very doors. It now threatens to spread over the whole world. What is the League doing? Apparently it is fiddling with unimportant matters while the world is once more in danger of a general conflagration. Australia must ask that the League of Nations should actively interfere in this struggle; it was established to maintain peace, let it do so; if it cannot or will not, let it acknowledge itself helpless and make way for some more effective means. In order to make clear to the world the position of Australia in this grave matter, her representatives at Assembly now sitting at Geneva have been requested to urge the League to take immediate action.

I hope that I have made it clear that believing in the unity of the Empire as we do, and notwithstanding it has not been consulted until the Empire was by the declaration of the British Government committed to action, Australia will associate itself with Britain in retaining the Gallipoli Peninsula, and in maintaining the freedom of the Straits. But we think that we are clearly entitled to be told precisely what is the policy of Britain and her Allies in the Near East, and to have set out in most definite terms just how far Britain desires and intends to go. And we want to know *(corrupt group)* what is the policy of France and Italy and the other Powers who are allied with Britain.

First as to the policy of Britain, or rather of the British Empire, the Commonwealth Government fully recognize the most important bearing of the situation in the Near East upon Mesopotania, Arabia, Egypt, India, and upon the Empire as a whole. This being so, what we desire to know is what is the policy of Britain towards Turkey in Europe and in Asia, and what it proposes to do towards effecting a *modus vivendi*. Mention is made of a Conference; well, what is to be done there? What are you prepared to concede? Anything? Nothing? The Empire is a world in itself composed of many countries peopled with different races holding widely different religious and other opinions. Is Britain's policy satisfactory to the Moslems in Turkey and throughout the British Empire? If not, is any modification comparable with vital Imperial interest possible and contemplated? We are prepared to back Britain in frustrating the ambitious projects of Kemal, with which we have, of course, no sympathy whatever. On the other hand, Australia is not prepared to risk one soldier's life in furthering the schemes of Constantine. Aggression leads to counter-aggression: violence to further violence: and unless the cause for which we fight is just, and the military objective is laid down in the most precise and definite way we are not prepared to participate actively in a war. We are not, for example, to be prepared to participate actively in a war. We are not, for example, to be dragged behind the chariot of French intrigues and ambitions in the Near East. Australia will not be a party to treating Turkey unjustly because it is weak. Are we asked, for example, to associate ourselves in an enterprise whose object is to maintain the *status quo* under the Sevres Treaty? What we want to know is, are we to defend the neutral zone, ensure the inviolability of the Gallipoli Peninsula and the freedom of the Straits, but go no further no matter how much France, Greece, or the Balkan States may urge us to take advantage of the superior naval and military strength of the Allied forces? Is it the settled and deliberate conviction of the British Government that the provisions of the Treaty of Sevres are fair to Turkey and to the Moslem world, and that no further concessions can be or ought to be made? If not, then to what extent and in what direction ought Treaty to be modified in order to meet the legitimate demands of Turkey? The Commonwealth Government, while expressing no opinion on the provisions of the Treaty of Sevres relating to Turkey, strongly urges that if it is possible to make any modifications likely to render it more acceptable to Turkey, they ought to be offered now before hostilities commence. Every effort ought to be made to avoid war. In the unsettled state of the world, war is like going with a lighted torch into a powder magazine. The Empire must set an example to the world. It must not go to war to gain more territory for itself or its Allies or do anything incompatible with its solemn declarations during the Great War and since the Armistice. It ought not to go to war unless in defence of its clear rights, and unless these are vital to Empire. And the League of Nations must be appealed to and be compelled to shoulder its responsibilities and either prove its worth or confess its futility. Australia wants also a plain and detailed statement on the policy of France in regard to Thrace, Smyrna and the Near East generally. To what extent is the Treaty of Sevres or its attitude or its policy towards Kemal, Gallipoli, and the Straits affected or impaired by the Franklin-Bouillon Treaty? Was the Angora Government financed or supported by France against Constantine? Did Britain or any other of her allies support Constantine in his campaign in Thrace and Angora? What is the general policy of France or Italy?

> What troops if any have they agreed or are they likely to supply?
>
> The Commonwealth Government hopes this frank expression of views will not be misunderstood by the British Government. Frankness on a matter of such grave importance is imperatively demanded. The Empire ought not to be pushed into a war. The Dominions ought not to be asked whether they will associate themselves with Britain after Britain has in effect committed them. And, above all, they should not be asked to join in an unnecessary or unjust war. Once the war is begun, no one can say where it will end. We are a peace-loving democracy. We have been through a dreadful ordeal in which we hope that you and the world will agree we played our part worthily. In a good cause we are prepared to venture our all; in a bad one, not a single man. In our own defence and in that of the Empire we are quite ready to fight, but we must know where we are going.[1]

This was the cable which Lloyd George received. It would appear that someone, possibly Starling, the Governor-General's secretary, deleted what must have been considered offensive remarks that accused the British authorities of applying double standards, such as the following passage:

> And despite all the declarations by British Ministers in the Imperial Conference, in the British Parliament, on the platform, and in the press, this latest act of the British Cabinet is exactly on all fours with the position in 1914, but divested of all the circumstances that led up to the Great War which could not have been foreseen but made it inevitable.[2]

It is a pity that the cable was edited in this way and a greater pity that Hughes's cable in its entirety has never been published.[3] One can understand its being withheld at the time but that it should have been kept from the public in general in the 'twenties during the debates on the subject was to inflict a grave injustice upon Hughes.[1] Thus British authorities had received definite rebukes from both Canada and Australia. It was not just Mackenzie King's rebuke with which Britain was faced, yet he has over the years been given almost exclusive credit for deflecting British policy. There appears little doubt that Hughes's rebuke would have had much the same impact as that of Mackenzie King's. It is a moot point whether in fact Hughes's message had the critical impact: the original cable specifically emphasised the Anzacs and was appealing therefore especially to the Australians and New Zealanders.[2]

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[1] Hughes to Lloyd George, incorporated in a message from Governor-General to Colonial Secretary, 20 September, 1922; CAB 24/138/495-500.

[2] Copy of the above cable in Governor-General's Office file, C.A.O., CP 78/32. Sales 'W.M. Hughes and the Chanak Crisis of 1922', pp.396-7, cites extracts from this version of the cable.

[3] Fitzhardinge, *The Little Digger*, publishes the original cable in its entirety and thus at last sets the record straight.

It was Churchill the Colonial Secretary who responded immediately to Hughes's thesis. Ironically, he was not averse to referring to the subject of the paragraph deleted from Hughes's original cable:

> You will remember how often it is said that the Great War itself might have been averted if Great Britain had taken up a plain and clear position at the beginning of the fateful week. The Prime Minister, therefore, as a result of the Cabinet decision, sent you the telegram you have received. We also felt next day that it was indispensable that the country as a whole should be enlightened on the gravity of the situation of which, in spite of their proximity to the scene, they were as little conscious as your own public in Australia. Once the telegrams had been despatched to the Dominions the fact was bound to become public within a few hours through the immediate response made by New Zealand.[3]

Lloyd George's message came the following day as he had been absent from London when Hughes's cable arrived. The British Prime Minister went to some pains to relieve Hughes of the view that Britain had attempted 'to rush the opinion' of the Dominions.

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[1] In the review on Imperial relations in the Australian Parliament in 1923, Hughes, now out of office, complained that Bruce, the Prime Minister, would not publish these cables; C.P.D., vol.CIV, 30 July, 1923, p.1775.

[2] See Duncan Hall, Commonwealth, pp.494-5 on this issue. Fitzhardinge, The Little Digger, boldly claims much of the credit for Hughes.

[3] Churchill to Hughes, via the Governor-General's Office, 20 September, 1922, C.O. 886/10/321.

What seemed unseemly haste, alarmist messages and even brinkmanship, he maintained was warranted by the circumstances. Indeed there was 'no failure' on the part of the British Government in keeping the Dominions 'fully informed', Lloyd George declared. He too remembered August 1914 and the declaration of war being a key figure in the decision by Britain to deliver the ultimatum to Germany:

> This last phase, however, was sprung upon us suddenly by the totally unexpected collapse of the Greek armies and the sudden threat of the Kemalist forces to advice upon Constantinople and Gallipoli, thereby breaking the terms of the Armistice. Not to have resisted this firmly at the very outset would, in our opinion, have been to sacrifice everything that we won in this theatre in the War. There was no idea here of trying to rush the opinion of Australia or any other Dominion. But the threat to the neutral zone was extremely sudden, and stopping it meant an effective declaration of policy by the British Empire within a comparatively small number of hours. It was because we remembered all that Dominion statesmen, including yourself, have said regarding your legitimate grievance in the first week of August, 1914, because nothing had been officially done to explain to the Governments and the public the serious and critical character of the issues by which we were then faced, that we made public the statement of policy issued on Saturday.[1]

For the rest Lloyd George specifically referred to three of Hughes's assertions. The British Prime Minister denied that the Empire would be dragged into another war. It was the terms of the Armistice which Britain was bent on preserving. He resisted Hughes's much cited observation that Lloyd George was pandering to the 'dynastic ambitions of Constantine'. It was not a pro-Greek policy which he was pursuing but rather a question of reaching a satisfactory peace settlement with Turkey. Finally this issue was not a matter of secondary importance which he alleged Hughes had implied. Certainly Thrace was secondary but the freedom of the Straits in Lloyd

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[1] Lloyd George to Hughes, message incorporated in cable from Colonial Secretary to Governor-General, 21 September, 1922; C.O. 886/10/323.

George's eyes had been a long standing British interest.

One of the practical results of Hughes's and Mackenzie King's trenchant remarks was that Lloyd George went to great pains to ensure that the Dominions would be instantly informed of events on the Near Eastern crisis. Arrangements were made to provide the Dominion members of the British Empire Delegation at Geneva with daily summaries.[1] At the same time the British Prime Minister informed the Dominions that he had organized 'special staff' to keep them 'continually' informed.[2] However by the end of October Hughes was not impressed with this hastily contrived effort to placate the Dominions. He suggested that while there was the possibility of the Dominions becoming involved in a war, messages should be sent directly from the Foreign Office or the Prime Minister and those messages should be sent en clair. Churchill disagreed with both suggestions, arguing that coded messages were essential and that he had adopted measures to ensure that the clerical work would be speeded up.[3]

Hughes in his lengthy cable had advised action by the League of Nations. Cook, at Geneva, informed Hughes that he had discussed League intervention with Balfour and Cecil and both believed that it was far too late to involve the League. Nevertheless Cook the following day supported Dr. Nansen of Norway at the Assembly meeting in his request that the League Council exercise its powers to bring about an immediate cessation of hostilities. Cook himself stated that Australians found it difficult to accept that the League with all its apparatus should be unable to do anything when faced with a crisis in European affairs.[1]

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[1] Hankey to Balfour, Geneva, 22 September, 1922; CAB 24/139/CP 4220.

[2] Colonial Secretary to Governor-General incorporating message from Lloyd George to Hughes, 20 September, 1922; Ibid., item CP 4211.

[3] Governor-General to Colonial Secretary incorporating the Prime Minister's message, 30 September, 1922; C.A.O., CP 78/32. Reply from Churchill, same date, Ibid. In 1924 when R.G. Casey became Australia's Liaison Officer, direct communications were established. See foot-note below: R.G. Casey, Baron, (1890-1976); educated at Melbourne and Cambridge Universities; a major in the War, on the General Staff; Liaison Officer, London, 1924-31; Cabinet posts, 1933-40; first Australian Minister to U.S.A., 1940-42; United Kingdom Minister of State in Middle East and member of British War Cabinet, 1942-3; Governor of Bengal, 1944-6; Baron, 1960; Governor-General, 1965-9.

In this crisis Hughes had opted for a negotiated settlement. Indeed Churchill complimented Hughes for his statement published in The Times which so tersely and succinctly summed up the policy of Great Britain: 'All that Great Britain was doing was to say "let us have a Conference we will yield nothing to force and everything to reason"'.[2] Fortunately, for the success of this policy the British at Chanak were served by a General who maintained the best traditions of sang froid in the face of provocation. Thus Lieutenant-General Sir Charles Harington, Commander of the British Forces at Chanak saved the day by his forebearance. Harington believed that the strong British presence plus the prospect of 'taking on the whole British Empire'[3] were the reasons which forced Kemal to negotiate rather than attempt to carry all before him. As Churchill informed Hughes a week after the truce, information which fell into the hands of the British revealed that the threatened action on the part of Australia and New Zealand were 'serious factors in Turkish calculations'.[4] This latter point may well be a reference to the trenchant remarks of Hughes during the month, in public support of the British stand at Chanak. Forster informed Churchill that apart from Hughes's comments published in The Times, the Prime Minister had made his position clear to the Commonwealth Parliament and both were published in the Press:

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[1] Cook to Hughes, cable, 21 September, 1922; Hughes Papers, N.L.A., MS 950/1/14; 'League of Nations and Near East Crisis', 22 September, 1922, CAB 24/139/CP 4231.

[2] Colonial Secretary to Governor-General, for Hughes, 23 September, 1922; C.A.O., CP 78/32.

[3] Harington, cited in Walder, The Chanak Affair, p.220.

[4] Colonial Secretary to Governor-General, for Hughes, 7 October, 1922; Hughes Papers, N.L.A., MS 950/1/14.

> The Commonwealth Ministry was content to leave the matter in the hands of Great Britain, being convinced that interference at this end would be calculated to embarrass rather than to help the efforts made by Great Britain towards peace. The declaration of Australia's intention to assist was unqualified, and therefore it had been unnecessary to strengthen it. *Ends.*
>
> After Cabinet meeting Prime Minister amplified this statement as follows:-
>
> *Begins:* He said that he wanted to make it clear that in the Great War Australia had put into the field a larger army that the Turks could now muster. We shall do so again, said Mr. Hughes, if necessity arises, and it will be well if Mustapha Kemal remembers this. We are for peace, and we want the Turks to have a fair deal, but if war is to come Mustapha Kemal must not forget what the entry into war by Australia means. *Ends.*
>
> Both statements appear in the Press today. - Forster.[1]

Churchill instantly responded to these remarks informing Hughes that 'it was with a feeling of electrifying comfort and encouragement' that this latest pronouncement was received in Britain by the Cabinet. It was just the word that was needed. It must have impressed the Turks, steadied public opinion as well as bringing comfort to a Cabinet sadly needing assurances.[2]

Martin Gilbert in the latest volume of his biography on Churchill neglects to incorporate the above commendations by Churchill of Hughes's public support for Britain's call to arms. Indeed, Gilbert unfortunately asserts that Hughes did not support Britain's request for troops at all. Churchill's glowing remarks gave the lie to Gilbert's assertions.[3]

On the next day the Turkish Forces withdrew from Chanak and conversations were initiated at Mudania few days later which resulted in an armistice agreed upon at Mudania on 10

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[1] Governor-General to Colonial Secretary, 30 September, 1922; C.O. 886/10/338.

[2] Colonial Secretary to Govenor-General, for Hughes, 1 October, 1922; C.A.O., CP 78/32.

[3] Martin Gilbert, Winston Churchill, vol.IV, 1917-1922. (London, 1975), pp.829-33.

October, 1922.[1] Hughes then had played not only a useful role but as we have observed a critical role in some respects. It must have come as a dreadful shock to Hughes therefore when towards the end of the month he received a cable which informed him that at the forthcoming conference at Lausanne, Japan, of all places, would be represented but the Dominions would be excluded:

> Yesterday invitations were sent by Governments of Great Britain France and Italy to the Japanese Roumanian Yugoslav Greek and Turkish Governments (both of Constantinople and of Angora) to send representatives to Lausanne 13th November to conclude treaty to end war in East which will replace Treaty of Sevres. Russian Soviet Government and Bulgarian Government also being invited to send to Lausanne at a date to be fixed representatives to take part in discussion of question of the straits which the Conference will undertake at a later stage. Inquiry is also being addressed by the three Governments to the Government of the United States expressing hope that they will permit United States representatives to be present during Lausanne negotiations in a capacity similar to that in which United States representatives was present during negotiations at San Remo in 1920 or to take more active part in the negotiations specially on question of the Straits. According to arrangements agreed upon with French and Italian Governments each Government will be presented at Lausanne by two plenopotentiaries. Secretary of State for Foreign Affairs will personally act as Chief British Plenipotentiary and it is porposed that he should be accompanied by British High Commissioner at Constantinople. Dominion Governments will be kept informed from time to time of the general lines of policy on which British Plenopotentiaries propose to proceed and of the course of the negotiations and as in case of other treaties arising out of the Peace they will of course be invited to sign new Treaty and any separate instruments regulating status of the straits. His Majesty's Government trusts that this procedure will be in accordance with the wishes of your Government. British Plenopotentiaries are fully acquainted with the Imperial aspect of the problem and with the keen

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[1] Colonial Secretary to Governor-General, 1, 10 October, 1922; Ibid.

interest taken by the Dominion Governments in its solution. Similar telegram sent to other Prime Ministers.[1]

As Duncan Hall expostulated, 'having been invited in September to send contingents to defend the Straits against Kemal they were excluded in October from the Conference that was to deal with the Straits'.[2] There is one saving grace that may explain this lack of foresight. At this very time Bonar Law was in the process of reconstructing the British Government as a result of Lloyd George's resignation. Curzon therefore had things much to himself. He had already been largely responsible for the exclusion of the Dominions at the Washington Conference. Now at Lausanne on a subject of which it was acknowledged that he was something of an authority he may well have believed that he alone could worthily represent the Empire. Imperialist par excellence that he was, this would be sufficient explanation for what to Hughes must have been the last straw. Chanak was bad enough but following hard on this, Lausanne simply added insult to injury. That Curzon himself must have guessed this is clear by his explanatory cable sent the following day by the Colonial Secretary who outlined the vital conversation between Poincare and Curzon on the subject of Dominion representation at Lausanne. The Colonial Secretary explained that 'in *(the)* course of discussions M. Poincaré informed Lord Curzon privately that if Dominions and India were represented at the conference French Government would demand that Tunis and Morocco should equally be represented'. Although Curzon explained to Poincaré, in answer to this assertion, that Dominion status at international conferences had been settled 'once and for all' at Paris in 1919, the French President chose not to be drawn into a discussion on the subject. Curzon had pointed out moreover that the Dominions had been signatories of the Treaty of Sevres, no less, and were separate members of the League. While Poincaré discounted these arguments he had the gall to press the claims of Tunis and Morocco. The Colonial Secretary concluded with the point of the exercise: 'You will see that Lord Curzon fully maintained rights of Dominions'. This may be so but the result would have suited Curzon. Devonshire himself commented that 'in any case practical considerations render it desirable that number of plenipotentionaries at Lausanne should be limited'.[1]

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[1] Colonial Secretary, Duke of Devonshire to Governor-General, 27 October, 1922; Ibid. This Chanak affair led directly to Lloyd George's resignation as Prime Minister and the collapse of his Government. In Bonar Law's Ministry the Duke of Devonshire was appointed Colonial Secretary.

[2] Duncan Hall, Commonwealth , p.496.

After a few days during which, no doubt, Hughes reflected on his next move, he decided to address yet another lengthy cable to the British authorities which was calculated to be a dressing down of the Imperial Government. Not surprisingly, successive Governments refused to publish the cables on the Lausanne Conference:[2]

> With reference to your telegrams of 27th October re Near East Conference and presentation of Australia thereat, the suggestion of the French Prime Minister that if the Dominions were represented France would demand that Tunis and Morocco be treated similarly, and Lord Curzon's rejoinder to Monsieur Poincare are noted. I fear, however, that I cannot quite appreciate your point when you say "You will see that Lord Curzon fully maintained rights of Dominions", after which you proceed to notify me that "Practical considerations render it desirable to limit the number of plenipotentiaries and, in short, that Lord Curzon and the British High Commissioner at Constantinople would act".
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> It is understood, of course, that we are to sign the new treaty when made or to refrain from doing so as we deem fit. That, put very shortly, is the position, and what it all means is quite clear. We are to go on in the same bad old way. No part whatever was taken by us in making Treaty of Sevres. We signed it when made. Technically we are concerned

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[1] Colonial Secretary, Devonshire, to Governor-General, for Prime Minister, 28 October, 1922; C.A.O., CP 78/32.

[2] Secretary of Colonies to Governor-General, incorporating a message from the Labour Prime Minister Ramsay McDonald to S.M. Bruce, the Australian Prime Minister, 7 April, 1924; Ibid.

only in enforcing observance of its provisions by the fact that Australia was prepared to go to war - not because Treaty of Sevres had been signed by her, but because she was part of the Empire, and Britain had rightly or wrongly committed herself to a policy which might lead to war, and the interests of the Empire were involved. The Commonwealth Government did not approve of many of the provisions of the Treaty of Sevres nor of British policy towards Greece, which seems to have been one of the factors that led to recent crisis. The Commonwealth Government was asked to sign the treaty when it was made and when it could not be modified. It did so. It was asked to say whether it was ready to support Britain in a policy upon which it had not previously been consulted, and although this probably meant being once more launched into a war made by Britain acting on her own responsibility it said that it was ready to stand by her - to be represented if necessity arose by a great army, not merely by a contingent of troops. But it protested against these declarations of policy by Britain acting alone by which whole Empire might *ipso facto* be plunged into war.

Now we are informed that we are not to have representation at a Conference which is going to effect substantial modifications in Treaty of Sevres. We are assured that a valiant defence of our status and rights was made: that the French Prime Minister was told very plainly that the question of our status was finally settled in 1919, and could not be reopened, and also, no doubt, that it was not material in any case as practical considerations made it desirable that Empire should be represented by Foreign Secretary and the High Commission at Constantinople.

Plain speaking between friends and blood relations is best. What you suggest may be, probably will be quite satisfactory to Canada and South Africa; they were not prepared to fight. Australia was, and most emphatically it is not satisfactory to her. The suggestion may be dismissed that modified Treaty will commit us to nothing unless and until we sign it. We are equally involved in whatever consequences arise out of it whether we sign it or not. This habit of asking Australia to agree to things when they are done and cannot be undone - and when there is only one course open to us in practice, and that is to support Britain - is one which will wreck the Empire if persisted in. Already seen Canada and South Africa standing aloof on the plea that they had not been consulted. I have pointed out in the Imperial Cabinet many times that what is wanted, and what we are entitled to, is a real share in moulding foreign and Imperial policy. In foreign affairs the Empire must speak with one voice: but whose voice is that to be? Surely not only that of a British political party! As things are, foreign policy matters by which all are affected are treated as the footballs of British political parties. This is all right in British domestic affairs, but in foreign affairs we cannot tolerate such a state of affairs. Suppose that at the coming elections Labour party gets a majority,

> there will be another change in foreign policy, and it may be a complete *volte face*. We may be quite sure that after the elections things will not be the same as before it. True position: yesterday one foreign policy is put forward by the British Govern nt comes about, and we are asked now to support quite another one: or is it the same? Nobody knows and nobody can tell us. We have not had a voice in either case in moulding the policy. We ought not to be forced into war without previous consultation whilst peace was yet possible or be made to appear ridiculous in the world's eyes by declaring ourselves today in favour of one policy, and in a little more than a month's time being compelled by a change of Government in Britain to favour quite another.
>
> I do not know we are very deeply concerned about the Treaty of Sèvres, but war in the Near East may come out of it - so much has been demonstrated - and then India, Egypt, and the Far East would be affected. Australia would have to fight to defend Suez Canal.
>
> The Treaty of Sevres will affect Moslem world, and so India and Egypt. If it affects India it will not leave Far East as it is.
>
> In the face of all this you tell us that we are not to have representation at this Conference, and that Empire will be represented by two Englishmen: that we shall, of course, be kept fully informed of how things go, and that we shall have right to sign treaty or to decline to sign it. All I can say is that it is most unsatisfactory.[1]

Hughes's message was brought to the British Cabinet. They 'recognized the force' of the criticism, but all that could be done in the circumstances, as it was now impossible for the Dominions to be represented at Lausanne, was to 'keep you fully informed of the difficulties as they arise at the Conference.[2]' This at least was faithfully carried out. The Hughes Papers carry the evidence of Curzon's diligence in supplying Hughes with Cabinet papers, Foreign Office and memoranda on the Lausanne

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1. Governor-General to Colonial Secretary, incorporating message from Hughes, draft, n.d., but 2 November, 1922, Ibid., see also CAB 24/130, CP4298.

2. Colonial Secretary to Governor-General, for Prime Minister, 16 November, 1922; C.A.O., CP 78/32.

Conference.[1]

Towards the end of the conference, late in January, an issue arose which became the occasion for Hughes's last message as Prime Minister on Imperial affairs. It concerned a dispute with the Turks over the Allied war graves at Gallipoli. The Turks actually proposed that it would be necessary to move certain graves as the area allotted for cemeteries was excessive. Hughes was informed of the resolute objection lodged by the Allied plenipotentionaries.[2] The objection was successful for a draft of the Treaty of Lausanne, cabled at the end of the month, carried the provision that the Allies were granted by Turkey 'full rights over all sites and all cemeteries and memorials' and pledged to respect them. In particular the British Empire area of the Gallipoli peninsula where Anzac cemeteries were situated was specified in the message.[3] Hughes could rest satisfied. He had had as his last word on the subject and his last word in defence of Empire rattled the sabre and threatened war in defence of the Anzacs whom he and all Australians revered:

> Should Turkish delegation prove so unreasonable as to insist upon attempting to inflict this indignity upon Australia it ought to be made perfectly clear to them that Australia will regard it as a casus belli. I do not doubt that all that is necessary to induce the Turks to retrocede from position they have taken towards Gallipoli Cemeteries is a solid unyielding front by Allies. This we firmly believe we can rely on. But if unhappily it fails we desire to make it quite clear that Australia cannot in this matter give way.[4]

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[1] Hughes Papers, N.L.A. MS 1538/130, 139 and 156.

[2] Colonial Secretary to Governor-General, for Prime Minister, 26 January, 1921; C.A.O., CP 78/32.

[3] Colonial Secretary to Governor-General, for Prime Minister, 30 January, 1922; Ibid.

[4] Governor-General to Colonial Secretary, 27 January, 1922; Ibid. Weeks later, Hughes resigned as Prime Minister. The Bruce-Page Ministry was formed. One of the conditions exacted by the leader of the Country Party, Dr. Page, was the exclusion of Hughes.

Perhaps it is appropriate to conclude this study with the last words Hughes employed as Prime Minister on Imperial affairs seeing that they were so germane to the subject. It is however more fitting in a critique that those who followed him should praise him. Bruce, the new Prime Minister, paid Hughes a glowing tribute:

> ....it is clearly demonstrated that we should insist upon having some proper voice in framing that foreign policy. The importance of this was realized at the Conference of 1921. Mr. Hughes....stressed that view more than anybody else, and it was owing to his representations, to a great extent, that action was taken to endeavour to evolve a method of keeping the Dominions informed of the proposals of the Imperial Government.[1]

Conclusions.

Hughes's philosophy on external relations was based on the Hobbesian view that nations were pitted against each other, in a life and death struggle, with the weakest going to the wall. This accounts for his harsh but realistic views on the nature of Australia's external relations. As a small Anglo-Saxon outpost in the Pacific, he argued that Australia would be secure only in a large and powerful Empire. Hence he placed no confidence in internationalist solutions, such as the League of Nations, as espoused by Wilson. Though the United States and Australia shared an interest in the Pacific and perceived Japan as an inveterate opponent, the 'natural' alliance between these two Powers had to wait another generation. Hughes placed his faith in the 'old diplomacy', witnessed by his signature on the Treaty of Guarantee and his advocacy of the renewal of the Anglo-Japanese Alliance. Overall, he enunciated an Australian Monroe Doctrine for the South Pacific. This doctrine depended on the supremacy of the British Navy and the development of an impregnable naval base at Singapore.

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[1] C.P.D., vol. CIV, 24 July, 1923, p.1481; my emphasis.

With regard to Hughes's style in conducting foreign affairs it has been commonly held that he was far too outspoken. His 'undiplomatic' methods arose out of his pugnacious approach to interpersonal relations. Hughes was a born fighter. However, it is clear that just as the Australian case benefitted from the abrasive temperament of Deakin in the decade before Hughes, so Hughes's outspoken behaviour secured the objectives of his diplomacy. He returned from Paris in 1919 with New Guinea under Australian control, with the White Australia policy intact, with a little compensation, and with Japan kept at a safe distance. All these were diplomatic triumphs.

The other side of the coin for Hughes in foreign affairs was the economic factor. Indeed, one of the outstanding characteristics of Hughes's approach to foreign affairs was his success in blending the economic, strategic, and defence objectives of the nation. At Paris he singlehandedly secured the valuable phosphate island of Nauru for Australia. His Monroe Doctrine of the South Pacific entailed the promotion of exclusively Anglo-Saxon economic interests. His 'root and branch' policy of expulsion of foreign interests, included the Americans as well as the Germans and the Japanese.

Above all, Hughes spent his entire premiership attempting to blend the assertion of an independent Australian 'foreign policy' within the framework of the Empire. He insisted that the Empire would continue to function only if the separate Dominions were permitted to share in the formulation of an imperial foreign policy. The Chanak crisis and the failure to include any Dominion representatives at the subsequent Lausanne Conference sounded the deathknell of a common policy based on adequate information and consultation.

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Asquith, Herbert Henry, Lord Oxford and Asquith, Papers; Prime Minister, 1908-16.

Harcourt, Lewis, Viscount, Papers; Secretary of State for Colonial Affairs, 1910-1915.

Milner, Alfred Viscount, Papers; Secretary of State for Colonial Affairs, 1918-21.

BRITISH MUSEUM, LONDON.

Balfour, A.J., Earl; Papers, Secretary of State for Foreign Affairs, 1916-1919, including correspondence with L.S. Amery.

COMMONWEALTH ARCHIVES OFFICE, CANBERRA (C.A.O.)

GOVERNOR-GENERAL's OFFICE.

Correspondence and Printed Matter arranged according to subjects including:

CP 78/21	German Property in New Guinea, hitherto closed.
CP 78/22	General correspondence, 1912-1923; the correspondence of Lord Forster, hitherto has been closed.
CP 78/29	Secret telegrams from Secretary of State for Colonies to Governor-General, 1918-19.
CP 78/30	Cables from Secretary of State for Colonies, 1918-1920.
CP 78/32	Turkey, Near East Crisis, 1922, cables.

Foreign (formerly External) Affairs Department.

C.R.S. A981. Defence 331: Singapore.
Defence 350: Conferences.
Disarmament: Washington Conference, 1921-22.
External Affairs; Organization and History of the Department.
Far Eastern Affairs: Piesse Reports.
International Labour Organization: Reports and Correspondence.
Imperial Relations: 1918 Imperial War Cabinet documents and also for the 1921 Imperial Conference.
Japan 38: Japan in the Pacific.
Japan 96: Relations with the British Empire. The Anglo-Japanese Alliance (J2/19/11).
Japan 101: Relations with Australia.
Japan 181: Foreign Policy, General (J2/24/4).
Mandates: Reports and Correspondence, special reference to New Guinea.
Marshall & Carolines: (M9/1/1).
United States and Mandates: correspondence with respect to the 'Open Door' in New Guinea.

CRS A1606. Secret and confidential reports and correspondence on wide range of defence and strategic matters.

CRS AA63/48. Japan and the Pacific.

CRS A2218. Volumes of Printed Papers relating to the Islands of the Pacific, 1862-1923, 25 volumes - E.L. Piesse volumes.

CRS A2219. Volumes of Papers on External Relations, 1900-1923, 24 Volumes - E.L. Piesse Volumes. For this subject the Piesse Volumes proved to be an invaluable source.

Prime Minister's Department.

CP 4/11. Papers re Mission at Spa Conference of W.A. Watt and resignation, 1920. He was acting prime minister while W.M. Hughes was abroad during 1918-1919.

CP 176.	Files of Custodian of Expropriated Properties, hitherto closed.
CP 290/3.	Cables during Hughes visit abroad, 1919.
CP 290/15.	Imperial Conferences, cables.
CP 317/6, 7.	Cables received through Governor General's office.
CP 351/1.	Garran Papers including British Empire Delegation Minutes; Notes of conversations at Supreme War Council and an extensive number of memos prepared for Paris Peace Conference; a valuable source for this critique.
CP 359/4.	Correspondence re Hughes's 1921 London visit.
CP 360/8,9, 11,13.	Cables exchanged between Hughes and Watt; Outwards and Inwards Cables, April, 1918-October, 1920.
CP 363/1.	Percy Deane Correspondence; Hughes's private secretary.
CP 447/1,2,3.	Secret Reports, correspondence and files on military, naval, defence and strategic matters including intelligence reports.
CP 497.	Records of Special Magistrate dealing with appeals against expropriation, New Guinea, 1920-1922, hitherto closed.
CP 661.	Royal Commission on Territory of New Guinea, papers and correspondence.
CRS A2.	General Correspondence, P.M. Department, 1904-1920.
CRS A457.	Correspondence Files, multi-number series, arranged according to subjects, 1921-1923, hitherto closed.
CRS A]632.	M. Shepherd. Memoirs. He was secretary of the Prime Minister's Department for the whole period.

Commonwealth Archives Office, Melbourne.

Department of Defence, Navy Office.

MP 367/3, 729/2, 1049/1. Memoranda of Admiral Creswell, First Naval Member, Commander W.A.C.S. Thring, Director of Australian Naval War Staff and Head of the Naval Intelligence Section, and Lieutenant-Commander J.G. Latham of Naval Intelligence.

House of Lords Record Office.

Davidson, Viscount, Papers; Davidson served as secretary to Viscount Harcourt and Bonar Law, when both were Secretary of State for Colonial Affairs. Approximately twenty boxes relate to affairs at the Colonial Office. The 'Bonar Law' Colonial Office files (1915-16) are almost as much in volume as the Bonar Law papers proper of the same period. Apart from the official papers mentioned above, they include two large files of correspondence between Bonar Law, or his secretaries, and Sir Munro Ferguson, Governor-General of Australia, relating to Australia's part in the war and the question of conscription; some important correspondence together with Davidson's own minutes to Bonar Law, on the Dardanelles campaign, 1915.

Lloyd George, David, Earl Lloyd-George of Dwyfor, Papers; Prime Minister, 1916-1922. The Lloyd George papers are the largest collection of a British Prime Minister's papers in existence. Most of Lloyd George's personal and family papers are deposited in the National Library of Wales at Aberystwyth, but the political papers were bequeathed to Countess Lloyd George (Frances Stevenson), who sold them in 1951 to Lord Beaverbrook. He sold them to Beaverbrook Newspapers three years later, and in 1971 they were again transferred to the First Beaverbrook Foundation. The papers had already been housed in the Beaverbrook Library.

Law, Andrew Bonar, Papers; Secretary of State for Colonial Affairs, 1915-16; Chancellor of the Exchequer, 1916-18; Leader of the House of Commons, 1916-1921; Prime Minister, 1922-23.

London University.

Institute of Commonwealth Studies.

Jebb, Richard; Papers.

Mitchell Library, Sydney.

Holmes, Colonel; Papers, including his military diary and copies of his despatches in relation to the capture of Rabaul,

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September, 1914. The Papers are catalogued under the heading of Travers Papers (his son-in-law); Uncatalogued MSS, Set 15.

National Library of Australia. *(N.L.A.)*

Cook, Sir Joseph, Papers. An ex-prime minister and colleague of Hughes, as Minister for the Navy at the Paris Peace Conference, 1919. The Papers were useful only because they included Minutes of the B.E.D., and 1918 Imperial War Cabinet Minutes together with numerous memos of J.G. Latham, his technical adviser at Paris. MS 762.

Deane, Percy. Hughes's private secretary. A collection of personal letters to his wife and to Hughes, 1917-1922, including a number from the Paris Peace Conference, kindly supplied by Mrs. R. Deane, 8 Mercer Road, Armadale, Melbourne, Victoria.

Eggleston, Sir Frederick, Papers. A technical adviser at Paris; later held important diplomatic positions in the Far East and Washington. Includes a confidential diary from Paris. MS 423.

Fisher, Andrew, Prime Minister, 1914-1915, Papers. MS 2919.

Garran, Sir Robert, Papers. Solicitor-General and close friend and colleague of Hughes. The material contains valuable memos, reports, and correspondence; especially a diary from Paris and letters to his wife. MS 2001.

Gullett, Sir Henry. An official war correspondent; also correspondent at the Paris Peace Conference. MS 3078.

Hughes, William Morris, Papers. Prime Minister. The Papers include minutes of the 1917 and 1918 Imperial War Cabinets and the Notes of the meetings of the representatives at the 1921 Imperial Conference. The Papers include an extensive amount of Imperial War Cabinet documents. MS 1538.

Hughes Annex of Papers. Mr. L.F. Fitzhardinge has placed this collection with the Hughes Papers. It includes an invaluable collection of British, French and Australian material from official and private sources.

Hume Cooke, J.N., Papers. A parliamentary colleague and friend of Hughes. The Papers include a typed draft of a study 'The Man and the Hour', the subject being Hughes. MS 601.

Hunt, Atlee, Papers. Permanent Head of the Department of External Affairs, 1901-1917, and then Secretary to Home and Territories, 1917-1921; he was an extremely capable civil servant with an expert knowledge of Pacific affairs in relation to Australia. MS 52.

Latham, Sir John G. Papers. Technical adviser to Sir Joseph Cook on naval matters; the Papers include a valuable collection of memos on the Pacific Islands question at Paris. There is also a valuable diary from Paris. MS 1009.

Murdoch, Sir Keith, Papers. Newspaper and war correspondent in this period and confidant of Hughes for whom he acted unofficially as a press agent. MS 2823.

Novar,(Lord), Sir Ronald Munro Ferguson, Papers. Governor-General, 1914-1920. An invaluable collection containing the official despatches to the King, personal letters to the King's private secretaries and thei replies, and official despatches to the Secretary of State for the Colonies and personal despatches for the Secretary of State alone and the replies. Private correspondence with Hughes is extensive and extremely sensitive. MS 696.

Pearce, Sir George, Papers. Only small collection here. MS 213.

Piesse, E.L. Papers. The great majority date from 1918-1923, during which Piesse was Director of Military Intelligence and then Director of the Pacific Branch in the Prime Minister's Department. An invaluable collection of official semi-official and personal memoranda, correspondence, and notes, together with publications and newspaper cuttings relating to the 'White Australia' policy, New Guinea, the Pacific Islands and Australia's relations with Japan. MS 882.

New South Wales State Archives

Premier's Department.

J.B. Suttor A small collection of secret correspondence and reports, as commercial agent in Japan.

Public Record Office, London. *(P.R.O.)*

Cabinet Office *(CAB)*

Cab 23. War Cabinet (1916-19) and Cabinet (1919-22). Minutes.
Cab 24. As above, memos, etc.
Cab 27/43. Committee on Indemnity, 1918.
Cab 29/28. Peace Conference: British Empire Delegation, Minutes. They are also to be found in the Garran Papers, C.A.O., CP 351/1.
Cab 37. Photographic Copies of Cabinet Papers, 1880-1916.
Cab 42. Photographic copies of Papers of the War Council, Dardanelles Committee and War Committee, 1915-16.

Colonial Office.

C.O. 418/132-186. Australia. Governor-General, Despatches, 1915-21.
C.O. 532,537. Original correspondence.

Foreign Office.

F.O. 371. Far Eastern Affairs, Japan; an invaluable source.
F.O. 800. Balfour, Papers; Secretary of State for Foreign Affairs, 1916-1919.

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II Single Manuscripts and Theses.

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III Printed Government Documents.

Australia: *Parliamentary Debates*, 1914-22. *(C.P.D.)*

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IV. Newspapers and Periodicals.

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Great Britain: Round Table, *(a British Empire review)*, London.
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V. Books.

This list falls largely into two categories but the dividing line is difficult to sustain in some instances - hence this consolidated list of books. Broadly one half is composed of the autobiographies, memoirs and private papers of those who figured in some way in the events under review. In this sense they are very properly primary source material. The other half belong to the category of secondary reference.

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Appendix 1[1]

I think that very little consideration of the situation would lead to the conclusion that Great Britain should undertake no new territorial responsibilities. I do not say that this ideal course is realisable but I do say that we ought to approximate to it so far as possible. It may well be that we are bound to maintain particularly in the East our right to govern: it may well be that there are those whose opinion is entitled to the gravest respect who would say, that the astute Japanese, the untutored Indian, the Arab who is only to be kept docile by teeor and respect would find it difficult to understand that we had really been successful in the war if Russia 'collared' territory, if France and Italy flew flags over new countries, if perhaps Germany was given back some of what we had taken while we, from the highest possible motives contented ourselves by saying we wanted nothing. It was very difficult to convince the ignorant or the foolish that swollen boundaries mean, or may mean, anything else than greater wealth, greater authority, greater solidarity.

It must also be remembered that there may be territories which we must take because we do not want other countries to take them. Further too, there may be territories which we must take because there is nobody else to give them to. The Turks may have disappeared....

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[1] Unsigned Memorandum, n.d., probably April 1915, being attached to a foregoing item of similar date; Asquith Papers, Bodleian Library, Oxford, Asquith MS 27/93-5. Dr. Cameron Hazlehurst considers this to be a genuine Montagu Memorandum. The following lengthy letter which was in Montagu's hand and signed by him I believe is of similar style and contains the irony that was characteristic of Montagu.

Could it be called safe to embark on a policy of depriving Germany of every acre of country which we could induce her to surrender? Is that likely to make for the peace of the world? Is it fair, whatever Germany's misdeeds, to make it impossible for a population to find access in which to colonise? Would anybody say, in the light of recent experience that Germany was wise to take Alsaic Lorraine? - and now you have a much bigger population in Germany with many new colonies and it would be more than folly to take them all from her. It might even be wise to give her new territory where she had had none before. I have read with care Mr. Harcourt's Memorandum on the 'Spoils of War' and I have been profoundly shocked? Lane always understood Mr. Harcourt had better claims than almost any other living statesman to the proud title of "Little Englander" in the best sense of the word and I find him in measured accents and cool phraseology dictating to his colleagues the inclusion in the British Empire of nearly all the waste places on earth. He cares nothing for historic associations, his placid mind does not boggle for a moment over transferring citizens, proud of their descent or grateful for favours and assistance from one flag to another. So he 'swops' Portuguese territory for English, and French territory for both with the grace and elegance of a school-boy making a stamp collection. From one end of the paper to another there is no suggestion that Germany is to be left with anything when we have got her down. She is to be stripped of every article of clothing. The convenience of a railway here, the delectable features of territory there, is a sufficient excuse for him to hoist the Union Jack. He only once exhibits emotions - he fears that Australia may be angry if the Japanese get some of the Islands which the Japanese themselves have occupied and he would naturally object to the doing anything like what he suggests we should do; and yet I think that the Japanese have been far more useful to us in this war than the Australians and would have been still more useful but for Mr. Harcourt himself... I would far rather cede Australia to the Japanese than cede to Australia anything that the Japanese want. Mr. Harcourt next indicates what he conceives to be all that we want from the French...The seductive attractions of the C.O. have destroyed Mr. Harcourt's inherited "Little Englandism" and made him a Flag Waver. It has also occupied his mind and destroyed his breadth of vision...

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(Montagu[1] refers to the debate that day in which) all were "apprehensive" of the arrival in our midst of a really disinterested man who might, although we hoped that he would not, want to apply the principles for which he had fought, actually might (O heaven forbid!) really have meant what was said on more than one hundred occasions...We did not dare confess this morning that flushed with victory we meant to insist upon terms which had no justification in our war aims

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[1] Montagu to Balfour, a typed letter and signed, 20 December, 1918; Balfour Papers, B.M. Add. MS 49748, ff.301-04.

and which were based, not on brotherly love, on the healing of wounds, on international peace, but on revenge on our enemies, distrust of our Allies and a determination for swag....We are treating, or are we contemplating treating the Islands in the Pacific and German South West Africa differently from any other territory, not because there is any reason that they should be differently treated but because those who represent Australia and New Zealand by their mentality and those who represent the Union of South Africa by the force of their constituents intend to hold on to what they have got, to assert the right of conquerors, and thus we had the more liberal-minded Sir Robert Borden trying to console himself by saying that he only assented to including these territories in the British Empire because they were necessary for defence. What hypocrisy! What a colossal attempt, which the discomfort of all present seemed to show was unsuccessful, at self-deception. Defence from what? From Germany? But we are all agreed that they should not be handed back to Germany. If Australia is the mandatory of the League of Nations in the South Pacific has she any more to fear than if she *(was)* possessed with the responsibility for the defence of these countries? No, she has less to fear and she knows it. But what Mr. Hughes wants is a bigger Australia. What Mr. Hughes wants is new territory to rule. What Mr. Hughes wants is a Customs Tariff to keep the world out except Australia, labour laws to exploit the populations for Australians and for no one else. And the same remarks apply to the population of the Union of South Africa with regard to German South West *(Africa)*....

I write to you because you alone of all my colleagues have given me any reason to hope. The men who are lightly plunging us into this situation are of three types...the General Staff whose thoughts are always from one war to the next, who see in every situation a strategic frontier, who can find good military reasons for the annexation of every territory in the world, who go to one place to protect another and find that the new place involves going to yet a third before it is secure.

Next there seems to be the flag-waving type of honest Briton, typified in our discussion by Walter Long and Mr. Hughes, who want to go any place because we can and who dare say us nay and "Good God, Sir, isn't it splendid to be a British subject?" and all the rest of it.

And then there is the rounded Lord Curzon, who for historical reasons of which he alone is master, geographical considerations which he has peculiarly studied, finds, reluctantly, much against his will, with very grave doubts, that it would be dangerous if any country in the world was left to the control of any other country but ourselves and we must go there, as I have heard him say, "for diplomatic, economic, strategic, and telegraphic reasons".

So we go. It is fatal to let the French here. It is appalling to think even of ourselves as mandatories there. The idea of the American fleet in the Mediterranean is speakably horrible....Is not our only hope that President Wilson is just as much of a humbug as we all are? Or shall we tell him plainly that our peace is the peace of victors. "Woe to the vanquished!" It is to be a peace of the old style and we must carry in our minds not international or even Inter-Allied provisions for maintaining peace, but nicely balanced territorial adjustments coupled with resplendent military provision.

Can you give me any comfort?

APPENDIX II.

TRANSLATION G. 15th Nov., 1923.

To His Excellency the Administrator,
RABAUL, South Seas.

APPEAL.

At the request of my two partners in the Bewangoi Plantation Company (Messrs. Hofmokel and Lindenberg), I have to lay the following before Your Excellency:

We three friends established the Bewangoi Planation Company situated at Meteinge in New Hanover.

After we had nine years of hard tropical work behind us and when we had saved some money, we purchased virgin forest land from the German Government and in 1912 laid out the first plantations. At first each worked for himself with the intention to subsequently merge into a company. By registration in the Commercial Court, we believed we would more securely preserve our land during the initial years, and in the event of death be assured that the property would be in the hands of faithful trustees. Our company agreement was only made nominally till 1917. From thence on, each one was to have the right to manage his own fortune (property). The war with all its consequences, however, prevented each participant from securing his property, and the division of the company into three parts was proceeded with. This, therefore, merely implies that the creation of small farms represented during the initial years the beginnings of the company.

We can most positively state that we were not in any way connected with any political objectives or schemes, and our activities were confined entirely to peaceful work. Shortly before the war, our Herr Lindenberg went home to recuperate after a severe attack of black water fever. His native place is Pless in Upper Silesia, which as apportioned to Poland. In this connection I have to mention that Germans who reside in ceded territory should not be expropriated according to the Treaty of Peace.

When they seized our possessions yonder and drove us like animals from our homes we were informed in Rabaul where they had driven us together, that that was done for reparations purposes and we would be indemnified by the German Government.

Today Your Excellency will also know that the reparation payments have had to be suspended by the German Government and there can be no talk of indemnification for our property which was expropriated (stolen) five years ago. Furthermore, our Government has acknowledged to us that no valuation and allocation has been made by the Australian Government to the Reparations Commission, and for that reason it is not liable for any kind of payment.

The plantations yonder were made during nineteen years of strenuous tropical labour, not inherited or bought, but created from virgin forest country. The property should yield us for our imminent old age what socialistic organisations should give every labourer in a civilised State, better and more tranquil days. The medium and small farmers had labourers' existences, nothing more, and these are to nullified, which we all hope the present Australian Government will prevent.

We German workers fully realise that we lost the war and that we are in the first place in duty bound to co-operate to repair the damage which ensued; to that end it was unnecessary to seize our small properties and to rob us to our shirts, as the previous Australian Government did to us settlers, we had sacrificed the greater part of our possessions without the regulations and chicanery which were so amply meted out to us after the conclusion of peace.

We therefore, request the present Australian Government to alter this so that our plantations and private property shall be restored to us under our personal supervision, and that permission to return be granted to us. We offer one third of the value of the entire property as reparation. We owe about one-third of its value to the H.S.A.G., so that the remaining one-third would be left to us.

We ask for the release of this last third for our life's labour.

By personal management we hope to succeed in vindicating our pretensions.

(Sgd.) OTTO FROHLICH.

Translated from the German by H.A. Thomson.

* * * * *

30th January, 1925.

The Secretary of the Colonial Office,
London, W.
Downing Street.

Dear Sir,

Permit me to lay the following details before you. I am over 61 years of age, left Germany in 1889 for New Zealand where I resided 3 years. After that I tried my luck in Fidshi, where I spent 3 years. Then I went to the West Australian Goldfields, where I worked as a Prospector till interned, although a naturalized British subject of many years standing.

In March, 1918 I was interned and in 1919 deported.

My Banking account amounting to L214.19.7 - Bankbook 216062 - laying in the Commonwealth Bank of Australasia has been by order of the Minister for Trade and Custom vested in the Public Trustee now in England I believe.

England is giving Enemies Properties (confiscated free up to L500.-.- and as the Commonwealth of Australia is in all important matter ruled by Great Britain I would beg of you to use your influence on my behalf. I have always been a law-abiding citizen and tried hard to save a little money. Now I am getting old and find it hard to earn my living. The L200.-.- odd would mean in my old age very much. Sir, I did not make the war!

Germany offered me L1.2.-. in liquidation. Needless to say I did not accept. What has the German Government of 1914 to answer for? With the L200.-.- odd I could start a little business and support myself. Sir, England holds the name as a Christian country. You are an Englishman. Will you help me to get my hard earned money? The blessings of an old man will be yours. You can do it. Please do it. I am anxiously awaiting your reply.

I have etc.,
(Sgd.) Gustav Ernst Wettig.

* * * * *

Translation

German Embassy, London.
20th August, 1923.

My Lord,

I have the honour to acquaint your Lordship with the following matter:-

Johann Loesel residing at Wolkersdorf/Post Nurnberg has approached the Foreign Ministry at Berlin with the request for assistance in obtaining possession of the belongings left by his son Leonhard Loesel who died on Dampier Islands, New Guinea. According to information furnished by Herr Blum, a missionary still working in New Guinea the proceeds of the sale of the deceased's effects ordered by the occupation authorities after

Loesel's death amounted, as is evident from the accompanying copy of the receipt of Capt. H.B. Walters, to 1299,96 marks. A small portion of the effects, consisting of a watch, Bible and the like are said to have been handed over packed in a box to the District Officer, who is understood to have ordered these articles to be sent as personal keepsakes to the father. Up to now however nothing has arrived.

I should be grateful to Your Lordship if Loesel's request could be forward to the competent authorities and the estate including the articles left behind sent to the Embassy for transmission to Herr Doesel.

I have, etc.,
(sng.) Sthamer.

The Most Honourable
The Marquees Curzon of Kedleston, K.G.
&c., &c., &c.,

COMMONWEALTH OF AUSTRALIA.

Clearing Office (Enemy Debts) and
Public Trustee's Office,
Victoria Barracks,
Melbourne.

28th July, 1924.

* * * * *

MEMORANDUM:

Estate of Leonhard Loesel - deceased.

With reference to his memorandum of the 15th July (N.G. 24/1104) the Secretary is informed that the late Leonhard Loesel, who died at Kar Kar, District of Madang, New Guinea on the 23rd February, 1916, is understood to have died intestate.

His affairs were wound up by Captin H.B. Walters, D.M.O. at Madang, and the balance of the proceeds of the Estate amounting to 104/17/6, together with certain personal effects for return to deceased's relatives in Germany, was transferred to the Department of Defence, Melbourne, in February, 1917.

By order dated 17th May, 1918, made under the Trading with the Enemy Act 1914-1921, the property was vested in the Public Trustee, and the money and effects referred to above were handed to the Public Trustee in August 1918.

The effects, which consisted of a gold chain, a silver watch and chain, a box of compasses, 26 books and certain private letters, photographs, etc., were held until January 1922, when, no claim having been made for them, they were sold (with the exception of the private letters, etc.) at auction, realising 2/13/ net.

The amount held to the credit of the Estate of the late Leonhard Loesel, after deducting the Public Trustee's commission is 102/3/-, and this amount will in due course be accounted for to the German Government in accordance with Article 297 (h) (1) of the Treaty of Versailles.

For this purpose a statement showing details of the amount will be forwarded to the Official Secretary to the High Commissioner for the Commonwealth of Australia, Australia House, Strand, London, for transmission through the British Authorities to the German Clearing Office.

Article 297 Ii) of the Treaty of Versailles indicates that:

> "Germany undertakes to compensate her nations in respect of the sale or retention of their property, rights or interests in Allied or Associated States".

With regard to the parcel of private letters, photographs etc., which is still held in this Office, the German Consul-General at Melbourne is being requested to take this over for transmission to deceased's father, Mr. Johann Loesel, of Wolersdorf, Germany.

(SGD.) ERNEST HALL.
Delegate of the Public Trustee.

The Secretary,
Home and Territories Department,
MELBOURNE.

Colony of German New Guinea,
(In British Military Occupation),
Headquarters,
Rabaul, New Britain.
January, 15, 1921.

MEMORANDUM FOR:-

The Secretary,
Department of Defence,
MELBOURNE

I beg to submit herewith the case of Jozef Mainka and would be glad of advice from you as to what action is to be taken.

Pursuant to the provisions of the "Expropriation Ordinance 1920" the Londip Pflanzung Gesellschaft m.b.H was "Expropriated".

Objection was taken to this Act by Jozef Mainka, who declared that he was a Polish subject and that the Londip Gesellschaft should not have been expropriated, having regard to the fact that more than half the shares were held by himself or his wife, Allied subjects. His contention with regard to his nationality was confirmed by you, (See your A.A. 567-7-5373, dated December 1st 1920).

In support of Mr. Mainka's contention the following are shown from the official records at Rabaul: namely that, of the total stock of 115,000 Marks of the Londip Gesellschaft, Mrs. Mainka holds 70,000 and Mr. Naur - at present in Germany - 45,000. Consequently to sum the position up it will be seen that an Allied subject holds more than half the shares of an Expropriated Company.

I am advised that the legal position is sound, owing to the fact that the company has been declared to be a company, which in the opinion of the Administrator, is managed or controlled directly or indirectly for the benefit or on behalf of subjects of Germany or persons residing in Germany; and the Administrator's opinion cannot be questioned.

All its assets have automatically become vested in the Public Trustee and consequently Mainka cannot be heard when he states that the Company was not properly the subject matter of the act known as "Expropriation", as the Expropriation Ordinance gives the Administrator an absolute discretion in the matter by the terms of the Peace Treaty for compensation to Allied subjects who have suffered from acts in the nature of acts of Expropriation. However from questions of policy, it may not be advisable strictly to adhere to the legal position.

Mr. Mainka has asked me to submit the following proposition for your consideration:-

(a) that the Expropriation of the Company be cancelled having regard to the fact that his wife is an Allied subject and owns more than half the shares;

(b) that he be permitted to purchase the shares held by Mr. Naur, and take over the whole of the shares of the Company.

In regard to (b) I pointed out to him in a letter of December 22nd - a copy of which I enclose for your information - that I was unable to grant him permission to purchase these shares owing to the provisions of the "Lands Ordinance 1919", and stated that upon his affording proof to the Central Court of his prepondating interest in the Company, the whole matter would be forwarded to Melbourne for decision, and in consequence I would be glad a ruling by you in the matter.

I have pointed out that until advice is received from you the position in regard to the Company will remain unaltered.

Administrator.

* * * * *

Deposition of FRITZ MERSEBURGER, being duly sworn, saith:

To Spec. Mag. My name is FRITZ MERSEBURGER. I am a planter. I was born in Ponath, near Konigsberg, East Prussia on 15th November 1881. I was a farmer whilst in Germany. I left Germany at end of September 1909. I cam straight to New Guinea for the New Guinea Compagnie as an overseer near Madang. I then afterwards entered into partnership with Mr. Andexer and we started together a plantation in the Huon Gulf. We started work on the plantation in June 1911. Mr. Andexer and myself each got permission to take up 100 hectares of land and we did take up in all 200 hectares at SINGAUA in our firm name. I believe it is in the Ground Book but it is not surveyed. I did not know that land not surveyed is not entered in the Ground Book. Afterwards we took up an extra 800 hectares at SINGAUA in the name of the firm ANDEXER and MERSEBURGER. Mr. Andexer and myself had equal shares in the plantation. In 1919 I sold my share in SINGAUA to Mr. Andexer. My present property consists of a promise of a mortgage on SINGAUA contained in my agreement with ANDEXER for 110,000 shillings, a deposit of 15,000 with H.S.A.G. and a debt of 10,000 shillings owed to me by the BULO Gesellshaft. Up to the date of the sale to ANDEXER we had planted about 350 hectares. From 1911 to 1919 I remained on the plantation working it except for one furlough in Java of about eleven months. I remained on SINGAUA after I had sole my share for about a year. I then entered the employment of H.S.A.G. and continued in it as Inspector of Plantations from May 1920 until March 1921 when my services were dispensed with by the Board. I was expropriated on March 23rd, 1921. I arrived in New Guinea on 11th February, 1910. I have never been to Germany since 1910.

The Court adjourned until Friday, 30th September, 1921 at 9am.

COPY

TRANSLATION.

GERMAN EMBASSY

LONDON,
9th October, 1923.

The Most Honourable,
The Marquess Curzon of Kedleston, K.G.,

My Lord,

A former German subject named Curt Schultze of Kaewing, New Guinea, has applied to the expropriation authorities at Rabaul for the release of his property seized under the Treaty of Versailles and under order of liquidation, on the ground that on January 10, 1920, he was no longer a German national. His relatives residing in Germany, who are German citizens, have requested the Foreign Ministry to point out to the liquidating authorities that it is indeed the case that on January 10,1920 Herr Curt Schultze no longer possessed German nationality. On the instructions of the Foreign Ministry I have the honour to make the following observations on this subject:-

In 1896 Herr Schultze acquired local nationality in Queensland. In 1901 he went to the then German New Guinea and was employed there for a period as an assistant under the German Government. He was not appointed to the establishment, however, and thus as the German Ministry of Reconstruction, Colonial Central Department, has authoritatively and decisively stated, did not reacquire by his temporary employment in the Government service, either his former Prussian nationality or full German nationality. On the contrary Herr Schultze was simply employed temporarily at a daily wage without being in the capacity of a civil servant. Accordingly none of the conditions existed under which, according to the old imperial and state nationality laws, a former German national would again have obtained his state nationality, or a foreigner have acquired direct imperial nationality for the first time. Herr Schultze has, moreover, never sought to re-acquire the nationality of the Reich or of a German state. Furthermore, as early as 1902 he was discharged from his employment as a supernumerary under the former German Government in New Guinea. As he did not have his name entered subsequently in a German consular register anywhere, he would have lost German imperial and state nationality by the ten years' uninterrupted residence abroad which followed, even if he had re-acquired it by his employment under the Government. As has been explained, however, this latter assumption is not correct.

I should be exceedingly grateful to Your Lordship if you would be so good as to communicate these explanations to the Australian Government and the expropriation authorities at Rabaul.

I have, etc.,
(Signed) Sthamer.

* * * * *

The case of Wilhelm Mirow.

Mirow was the graduate of a German agricultural college arriving in New Britain in 1899. Subsequently he became plantation manager of one of the four large companies which controlled about half of the plantations and trade of the Territory. The general manager of Mirow's firm, Hamburgische Sudsee Aktiengesellchaft, better known as the H.S.A.G. Company, was W.R. Wahlen whom Burns Philp considered to be the most influential German in the Territory apart from the Governor, Dr. Hahl.[1] Mirow was closely questioned on the activities of his firm. Garran, to whom his case eventually was referred, was informed that Mirow was the 'official' who had drawn up the terms of capitulation. He denied the assertion. It was also believed that he was involved in the 'politics' of the Territory. The basis for this Mirow affirmed under oath, was that he had appeared in the German courts on behalf of and in the interests of his company. Over the years he had acquired a sound knowledge of German Law and their application to local customs. He was not a qualified lawyer but had handled such cases for his firm. He had acquired plantations of his own and it was against the expropriation of these that he had applied. It was refused, despite the fact that he was married to a British subject.[1]

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[1] Burns informed the Royal Commission in a very detailed Memorandum that he believed that under no circumstances should Hahl and Wahlen be allowed to step foot into the Territory. The occasion for these remarks was the 'rumour' or 'information' that they were returning to the Territory to organize the protection of German interests; Royal Commission Papers, C.A.O., CP 661/15/1.

In this case Piesse pointed out that the appellant, Wilhelm Mirow, a German planter married to a New Zealander, complained in writing that Walter Lucas had a private quarrel with him early in the War. Piesse noted that 'Lucas had shown great zeal in securing rejection of the appeal although exemption has been recommended by other advisers of the Government'.[2] Lucas was the chairman of the Expropriation Board.

Mirow's wife took up the cudgels on his behalf. She used her New Zealand connections, being related by marriage to a high official in the Public Service there. Writing from Moss Vale in New South Wales she outlined her case to the Prime Minister of New Zealand, who evidently accepted her story and thus he delivered a stinging rebuke to the Australian Government.[3]

The Mirow case was referred back to the technical adviser on expropriation. In his official report to the Prime Minister's

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1. Deposition by Mirow, Minute by Garran, 28 January, 1920; C.A.O., Melbourne, Department of Defence, MP 367, file 404/11/621.

2. Piesse, Memorandum, 5 September, 1922; Piesse Papers, N.L.A., MS 882/6/649.

3. See above, chapter Four, I, (a).

Department he reminded the Prime Minister that the German interests in Samoa were 'trifling compared with those involved in New Guinea'. There was also a factor in this case which had not been brought to the Prime Minister's attention:

> The view is that many of these private Germans are incorrigibly anti-British, and their undoubted influence over the natives will certainly be exercised prejudicially to the British Administration. Some of such men have allegedly British wives (mostly of German parentage). These wives invariably take their cue from their husbands, and Mrs. Mirow is a case in point. She was anti-British in the earlier days of the military occupation, although treated with every kindness, and, when speaking to me at Rabaul of the troops in occupation there, sneered at them as "Australian farm burners".

At that time, concluded the report, Mirow himself believed Germany would win. Now, many who were blatantly German were trying to prove either neutral nationality, or were 'anxious to shelter themselves behind the petticoats of their allegedly British wives'.[1] There were sound reasons then, for refusing this appeal in this particular case.

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[1] Technical Adviser to Prime Minister's Department, Memorandum, 19 January, 1921; C.A.O., Melbourne, Department of Defence, MP 367, file 404/11/612.